APPLICATION FOR CONFIRMATION OF

THE LONDON BOROUGH OF TOWER HAMLETS

(HARRIOT HOUSE, APSLEY HOUSE, PATTISON HOUSE)

COMPULSORY PURCHASE ORDER 2025

OPENING STATEMENT ON BEHALF OF THE ACQUIRING AUTHORITY

References are given to the relevant Core Documents (CD suffix)

Introduction

1. This is an inquiry into the case for confirmation of the London Borough of Tower Hamlets (Harriott House, Apsley House, Pattison House) Compulsory Purchase Order 2025 ("**the Order**") (**CD 1.1**). The Order was made by the London Borough of Tower Hamlets ("**the Council**") on 15 April 2025 pursuant to section 226(1)(a) of the Town and Country Planning Act 1990 ("**TCPA 1990**") (**CD 7.1**).

2. Pursuant to both section 226(1)(a) TCPA 1990 and Government policy as set out in the MHCLG *Guidance on the Compulsory Purchase Process* (January 2025) **(CD 3.4)**, the Council is required to demonstrate to the Inspector that:

3. the acquisition will facilitate the carrying out of development, re-development or improvement (including regeneration) on or in relation to the land, and the same is likely to contribute to promotion or improvement of the economic, social, or environmental well-being of the Council's area; and

4. that there is a compelling case in the public interest for the making of the Order, justifying the interference with the private rights to which the Order would give rise.

5. Following the making of the Order on 15 April 2025, the Council received seven objections from parties with an interest in the Order Land, which seven objections related to five individual properties. In the period that has followed, two of those objections – those of Objectors 4 & 5 (**CD 8.1**) - have been resolved and withdrawn. This leaves 5 objections outstanding at the outset of the inquiry, relating to three individual properties. Of the objections at large, only Objectors 2a/b and 3a/3b have submitted any written evidence in support. Objector 1 has chosen not to supplement its objection, and is not anticipated to attend the Inquiry.

6. A summary of the nature of the outstanding objectors' concerns, and the Council's response to them, is provided further below. A fuller update on progress with negotiations will also be given by the Council during the course of the Inquiry, through the evidence of Mr Surry.

Nature of the Remaining Objections

7. The five remaining objections raise a broad range of issues, some of which are repeated. These submissions will therefore deal with the main themes arising from the remaining objections.

8. Significantly, none of the remaining objections challenge the *underlying need case* for the redevelopment of the Estate, that being the need to deliver a substantial number of additional market and affordable homes; to improve the quality of the homes available and their surroundings; and to deliver more sustainable homes and development generally. Indeed, Objectors 2a/b and 3a/b have expressly stated in their supplemental statements that they do not object to the principle of the regeneration (subject to qualifications regarding protections for existing leaseholders).

9. A common thread between the remaining objections is that there was a lack of proactive and meaningful engagement with those affected leaseholders. Other themes of the remaining objections include: that the Scheme is not viable or deliverable; alternatives such as infill or refurbishment have not been properly considered; concerns about the scope of the right to return and the compensation available to leaseholders; and concern as to whether the Council has satisfied its public sector equality duty (**"PSED"**).

10. Whilst no doubt these objections reflect genuinely-held views and concerns, they are not well-founded, as the totality of the Council's evidence will demonstrate. Engagement has been wide and deep, taking place over many years. The Council has already entered into a pre-construction services agreement with an experienced developer and identified sufficient funding sources, including for the delivery of Phase 1 within two-and-a-half years. The Scheme's design (a concern unique to Objector 1) was assessed as part of the planning process, as were the alternative regeneration options of infill and refurbishment – both of which the vast majority of residents rejected in favour of redevelopment. The right to return, and compensation consistent with the Compensation Code, are both enshrined in the Landlord Offer (**CD 5.2**), which has remained substantially the same since it was first issued in 2020. Equalities considerations have formed a touchstone of the Scheme, as we will go on to explain.

11. As noted above, only **Objectors 2a/b** (**"Objector 2"**) and **3a/3b** (**"Objector 3"**) have supplemented their initial short objections with further statements. As expressed in their further statement, **Objector 2's** concerns are principally focussed on securing the following outcomes: an offer of mediation where disputes arise over valuation; a guarantee of compensation

at full market value, plus disturbance costs, and the prompt application of advance payment provisions; and compliance with the PSED. In regard to the latter point, the position expressed was based on the view that there is no evidence that an equalities impact assessment (**"EQIA"**) has been undertaken.

12. These outcomes are, in fact, already built into the Scheme. The Council is committed to resolving disputes through ADR where desired by leaseholders (as it made clear when it met Objector 2 in July 2025, see **Correspondence Bundle** (**CD 8.7**)**, p.25 [9.4]**); compensation will be in accordance with the Compensation Code including the proper application of advance payment mechanisms; and an EQIA has been undertaken or refreshed at all key decision points (**CD 5.10**). The output of the EQIA work has been a series of mitigations, which are now built into an action plan that the Council has adopted, as explained in the evidence of Mr Pote-Hunt (**CD 10.6**, **Section 3**). In view of the contents of the further statement, the Council has recently written to Objector 2 to confirm all of these matters (**Correspondence Bundle** (**CD 8.7**)**, p.69ff**). Subsequently the Council and PINS have received notice that Objector 2 does not intend to appear.

13. **Objector 3's** statement was received very late in the day, little more than a week ago, and is more wide-ranging. Particular concerns include the ability for the Objector to return to a flat in the same physical location as their existing accommodation; whether the Council has allocated that physical location to private market housing, depriving current residents of access to a 'premium zone' (and related concerns about not receiving value commensurate with that premium zone status); complaints about certain terms of the Landlord's Offer policy, which is alleged to have changed over

time, and to be unfair so far as it only permits two lease successions where the shared equity product is used to acquire a replacement property and only guarantees that one adult within a hidden household will be guaranteed a property on the regenerated Estate in addition to the leaseholder; a need for assurances that maintenance on the Estate will improve and that leaseholders will not subsidise the service charges paid by private market buyers; and concerns about the Council's approach to locating different tenures in different blocks and risk of segregation or impacts on community cohesion as a result.

14. Each of these concerns will be responded to in detail in the Council's oral evidence and in writing in closing, but in short, the Council will explain why it is not practicable for Objector 2 to return to the same physical location; why the amenity and accessibility offered by his property will not be materially diminished (and in most respects will be much improved) as a result; that the terms of the Landlord Offer policy reflect a balance between the need to ensure existing residents living on the Estate can return to it and the need for public subsidy to enable that; that conditions on the regenerated Estate will be much improved, with far lower maintenance requirements for many years and that there will be no question of subsidy of new market purchasers by returning leaseholders; and that the approach to locating different tenures in different blocks is well-established, with a sound practical justification, and nonetheless results in mixed and balanced communities.

The case for the Order in a nutshell

15. Against that background, and mindful that most (if not all) attending the Inquiry will have read the Council's Statement of Reasons (**CD 1.3**),

Statement of Case (**CD 1.4**) and/or evidence (**CD 10.1-10.6**), the Council's case can be summarised as follows.

16. This country is experiencing a housing crisis. There are too many people who need affordable, high-quality homes and local authorities are struggling to meet that demand.

17. There is a particularly urgent need for additional housing in Tower Hamlets. The Council currently has just over 21,500 council-owned residential properties along with 30,000 homes managed by housing associations. Between March 2023 and April 2024 there were still over 24,000 households on the Council's housing register seeking affordable accommodation, and only 1,200 of them were allocated a social housing home over the course of that year. By October 2024, the number of households on the register had risen to 25,135; as at 1 July 2025, this figure had risen to 29,941, nearly 60% of which are in the highest priority categories, category 1 (high housing need) and 2 (urgent medical or other needs) (**CD 10.1, [4.3.5]**).

18. This at least in part reflects the Borough's growing population. Whereas London's population has increased by 7.7% since 2011, the population of Tower Hamlets has increased by 22.1% within the same time (**CD 1.3, Sections 5.2-5.3**). As the Borough's population expands, the housing problem only worsens. Additional market and affordable housing that meets current and future residents' needs is urgently required.

19. The housing problem is exacerbated by the relatively high levels of deprivation in the Borough and disproportionately expensive properties. Tower Hamlets ranks as the 50th most deprived local authority area out of 317 local authorities in England (based on its rank of average rank set out in the

MHCLG Indices of Multiple Deprivation 2019). Within the Borough, Stepney Green (within which the Order Land sits) is the 5th most deprived ward out of 20 wards. Home ownership is a pipe dream to most, with the median household income in the Borough sitting at £43,689 and the average house price over ten times that at £482,000.

20. The private rental market provides no respite. Between October 2022 and September 2023, Tower Hamlets had the 8th highest rental rates among all the London Boroughs, reflecting the growing cost of living and the growing financial burden on renters in the area (**CD 1.3, Section 5.2**). Without more Council-owned housing, the Council's reliance on expensive private sector properties as temporary accommodation to account for the lack of affordable social homes and to prevent homelessness in the Borough will continue to grow (**CD 1.3, Section 1.3**).

21. The Order Land covers a total area of 1.79 hectares and comprises three housing blocks: Harriott House, Apsley House, and Pattison House, together the "**Estate**". These blocks were built in 1954 and contain a total of 100 homes. There are also two community buildings on the Order Land: the Redcoat Centre and the Redcoat Community Centre, the latter of which is run as a mosque.

22. A tight-knit community has established itself on the Estate, but living standards are not where they should be, with many properties being affected by issues such as damp and overcrowding. Although options to refurbish the existing accommodation or build new housing blocks via 'infill' were considered and presented to residents, both they and the Council wanted more substantial and long-lasting change. Proceeding with full redevelopment

of the Estate was therefore supported by > 93% of those who voted in the Residents' Ballot in 2020 - in numeric terms, by 121 of the 123 residents who voted (**CD 10.1, Section 4.4**).

23. The Council therefore proposed the Scheme. Planning permission was granted for the development comprised in the Scheme (as now proposed to be delivered) on 27 June 2025 (**CD 4.2**). The Scheme will replace the existing 100 flats with 407 high quality and sustainable homes spread across buildings ranging in height from 4 to 8 storeys. The homes will mainly be 1-, 2- and 3-bed properties, reflecting typical demand in the Borough, along with a small number of 4-bed properties. Once the existing resident leaseholders and secure tenants are rehoused, 343 new homes will be available of which 111 will be affordable – resulting in an offering of 40% by habitable room. The condition and appearance of the Estate will also improve markedly, with new and useable landscaping creating a more inviting and pleasant public realm and a place residents can be proud of.

24. In addition to housing, the Scheme will deliver a new fit for purpose community centre building of 1,167sqm, together with landscaped communal amenity space, accessible car parking, and secure cycle storage. Originally the mosque was set to be located underneath new residential premises, but the design was changed so that the mosque has its own new standalone building to suit the preference of the mosque's operators (**CD 4.5**). It will be observed that the mosque, a major stakeholder in the Order Land, does not object to the Scheme.

25. The Public Transport Accessibility Level (PTAL) rating across the site is 4 and 5, indicating a 'Good' to 'Very good' level of public transport accessibility. It

is therefore capable of, and should be, accommodating much higher density housing than it currently is, subject to considerations of design and quality, which have been addressed in the detailed design of the consented Scheme.

26. The Scheme therefore represents a real opportunity for the Council to provide more and better homes on a brownfield site in a highly sustainable location on its own land. It provides an opportunity for existing residents to improve their living conditions without having to uproot themselves from the area in which they have built a close and vibrant community, through exercising their right to return. It is to be observed that the Landlord Offer has been subject to scrutiny by the GLA, and that the Scheme is now in receipt of GLA funding. Its compliance with the Mayor's requirements is therefore confirmed.

27. To make the democratically established vision for the Scheme a reality, the Council requires vacant possession of the Order Land. It has made a concerted effort to find solutions for residents, including their being rehoused in Phase 1 of the Scheme (necessitating just one move, in accordance with the offer made prior to the Residents' Ballot) or being offered compensation following independent valuation of their leasehold interests.

28. At the time of submission of the Proofs of Evidence, the Council had acquired 21 leaseholder interests by negotiation, leaving a total of 43 residential interests yet to be acquired, along with any interests in the mosque (which is expected to be achieved by voluntary surrender), a substation within the Estate and an area of unregistered land which currently forms part of a public highway (but which will in due course be stopped up) (**CD 10.3, Section 4.2 and Table 4**).

29. Mr Surry will be able to provide an update to these statistics in his oral evidence, but it nonetheless remains the case that the Council is unlikely to acquire all the interests it requires voluntarily within the requisite timescale. The Council therefore considers it necessary to utilise its power of compulsory purchase to facilitate the development of the Scheme.

30. The Council has a clear plan for the funding and delivery of the Scheme, which is going to be undertaken in partnership with Countryside Properties UK (part of the Vistry Group) ("**the Developer**"). Like the Council, the Developer has significant experience of delivering similar London regeneration schemes (**CD 10.5b**). Although the Development Agreement for the main works has not yet been entered into, negotiations are well-advanced and the Inquiry will hear from representatives of both the Council and the Developer, Mr Walsh and Ms Hussain, who will confirm their commitment to enter into that agreement in the New Year. In the meantime, the Developer is already invested in the Scheme through the delivery of pre-contract services including enabling works for Phase 1, through the Minor Works JCT (**CD 10.5, Section 5**).

31. Although the CPO Scheme was identified as generating a financial deficit at the planning stage, this does not act as an impediment to its delivery. Mr Booker, the Council's independent viability consultant, explains how the outlook is more positive than that assessment identified and is capable of being delivered (**CD 10.4, Sections 6 & 7**). Further, the financial requirements of the Scheme have long been recognised by the Council, and Mr Walsh (for the Council) will confirm that the funding needed to enable delivery notwithstanding has been identified (**CD 10.1, Section 7.2**).

32. The interference with affected residents' human rights under Art 8 and Article 1 of the First Protocol is acknowledged, but clearly justified by the prospect of providing high-quality homes to over four times the existing number of households in a Borough whose population is ever-growing and in desperate need of housing. Many residents have already made agreements with the Council to facilitate the Estate's regeneration, but the Council must be allowed to acquire the remainder of the Order Land in furtherance of the public interest.

33. In all the circumstances, it will be said that the public interest decisively weighs in favour of granting the Order, and that there are no matters that are likely to impede it. At the close of the Inquiry, the Council will therefore respectfully request that the Order be confirmed without modification.

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