

REQUEST FOR MAYORAL DECISION – MD2729

Title: Compulsory Purchase Order – Surrey Quays Station Upgrade

Executive Summary:

In November 2018, MD2388 approved the submission of a Housing Infrastructure Fund (HIF) bid to the Ministry for Housing, Communities and Local Government (MHCLG) for the East London Line (ELL) Growth Capacity Programme. In August 2019, it was confirmed that the GLA's bid for £80.84m of grant had been successful. In July 2020, MD2626 approved the entry into a tripartite Grant Determination Agreement (GDA) with MHCLG and Transport for London (TfL), and a Memorandum of Understanding with TfL. The funding will help deliver a range of interventions to provide capacity enhancements on the ELL to facilitate the realisation of significant housing development opportunities in the London Boroughs of Lewisham and Southwark. A key part of the project is the upgrade of Surrey Quays station, including a new second entrance. This requires TfL to acquire a parcel of land adjacent to the station currently owned by Wandle Housing Association. The GDA requires TfL to initiate Compulsory Purchase Order (CPO) proceedings by December 2020 if acquisition has not been achieved by negotiation alone. It is therefore necessary to progress a CPO in tandem with negotiations, to allow acquisition of the land should negotiations not conclude in a timely manner.

Under paragraph 19, Schedule 11 of the Greater London Authority Act 1999 (GLAA), the Secretary of State may authorise TfL to compulsorily purchase any land which is required by TfL or a subsidiary of TfL for the purposes of the discharge of any function. On 11 December 2020 TfL made the Transport for London (Surrey Quays Station Upgrade) Compulsory Purchase Order 2020 for the acquisition of the land. Paragraph 19 of the GLAA also requires that the Mayor give his consent before a CPO is submitted to the Secretary of State for approval. This Mayoral Decision seeks that consent.

Decision:

That the Mayor provides consent under paragraph 19(3), Schedule 11, Greater London Authority Act 1999 for TfL to submit to the Secretary of State the Transport for London (Surrey Quays Station Upgrade) Compulsory Purchase Order 2020 confirmation.

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority. The above request has my approval.

Signature:

Date: 23/12/2020



PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1. On 27 November 2018, MD2388 approved the submission of a Housing Infrastructure Funding (HIF) bid to the Ministry for Housing, Communities and Local Government (MHCLG) for the East London Line (ELL) Growth Capacity Programme by the Greater London Authority (GLA).
- 1.2. Following detailed due diligence, MHCLG announced in August 2019 that £80.84m of grant would be made available, subject to contract, to deliver the project. Detailed funding terms have been set out in a tripartite Grant Determination Agreement (GDA) between MHCLG, the GLA and Transport for London (TfL).
- 1.3. On 16 July 2020, MD2626 approved the entry into the GDA, as well entry by the GLA into a Memorandum of Understanding with TfL. The GDA was subsequently completed on 19 August 2020. The GDA provides two milestones in respect of the acquisition of the required land and interests for the project:
 - an agreed “CPO Strategy” sets out TfL’s preferred method of acquisition as acquisition by private treaty but also includes the requirement to make a Compulsory Purchase Order (CPO) by the end of 2020 if negotiations for the acquisition of interests have not satisfactorily been completed by that point. Once a CPO is made by an acquiring authority it still requires confirmation from the confirming authority to have effect, in this case the Secretary of State for Transport; and
 - accordingly related to that is a project milestone in the GDA that TfL either secures voluntary acquisition of the required land and interests or a confirmed CPO by 26 October 2021. It is anticipated that the period between December 2020 and October 2021 will be required to achieve confirmation from the Secretary of State of the CPO.
- 1.4. The ELL Growth Capacity Programme will provide capacity enhancements on the ELL to facilitate the realisation of significant housing development opportunities in the London Boroughs (LB) of Lewisham and Southwark. Funding of £80.84m will deliver a range of interventions in one single project, including:
 - infrastructure to enable 20 trains per hour (tph) on the ELL – achieved through signalling works, additional stabling facilities and traction power systems upgrades to allow an increase in operation from 16tph to 20tph;
 - an upgrade to Surrey Quays station – including a second entrance on the north side of Lower Road;
 - a new station at Surrey Canal Road – including access to the New Bermondsey and adjacent developments; and
 - an upgrade to Canada Water bus station – providing capacity to enable a new bus route serving the Convoys Wharf development.
- 1.5. These infrastructure improvements are expected to unlock over 14,000 homes across 11 sites along the ELL corridor by 2040. This will directly support housing and economic growth in LB Lewisham and LB Southwark.

Surrey Quays station upgrade

- 1.6. TfL selected a Single Preferred Option for Surrey Quays station in July 2019. The development process identified the following scheme requirements:
- capacity within the station to accommodate background demand growth and the major redevelopment adjacent to the station (resulting in 2041 am peak demand increasing by around 240 per cent);
 - improved accessibility to the north side of Lower Road, to and from the station, particularly the site of the major development; and
 - step-free access between the street and the platform.
- 1.7. TfL determined that a new station entrance on the north side of Lower Road is the only solution that can deliver all the requirements set out in 1.6.
- 1.8. The station works require acquisition of a triangular section of land to the north side of Lower Road between 181 Lower Road and the railway line (the Property), shown edged red on the plan at Appendix A.
- 1.9. The Property is owned by Wandle Housing Association (Wandle) and is also subject to some third-party interests. The land currently provides 3-4 car parking spaces for Wandle's housing association residents under informal arrangements. This functionality will be lost with the acquisition of the Property and construction of the station upgrade. Proposals to relocate this parking elsewhere are under discussion between TfL and Wandle. In addition, the Property has an unauthorised advertising hoarding on it and efforts are underway to remove it, although the success of those efforts cannot be guaranteed at this stage.
- 1.10. Discussions have been held with Wandle since the beginning of 2020 but have not yet completed. It is therefore considered prudent to progress a CPO in tandem with negotiations to meet the timeframes set out in the GDA. Should it be possible to successfully acquire the land with vacant possession and free of third-party interests, then TfL will not pursue confirmation of the CPO from the Secretary of State.
- 1.11. Government guidance for compulsory process states that compulsory purchase is intended as a last resort to secure the assembly of all the land needed for the implementation of projects. However, if an acquiring authority waits for negotiations to break down before starting the compulsory purchase process, valuable time will be lost. Therefore, depending on when the land is required, it may often be sensible, given the amount of time required to complete the compulsory purchase process, for the acquiring authority to plan a compulsory purchase timetable as a contingency measure and initiate formal procedures. Accordingly, TfL is initiating formal procedures for the compulsory purchase process in order to ensure the timely delivery of the land required for the station upgrade by October 2021.
- 1.12. A decision to make a CPO must strike a fair balance between the public interest for the station upgrade and the interference with private rights. TfL has considered whether compulsory purchase of the Property strikes a fair balance between the public interest for the upgrade of the station and the interference with the private rights of the landowner. Taking into account the exercise of compulsory purchase powers as a statutory process requiring confirmation from the Secretary of State, the provision for compensation to be paid to those affected, the limited private interests affected by the proposed CPO and the compelling case in the public interest for the station upgrade to support new housing, TfL considers that the interference with private property rights is necessary, proportionate and strikes a fair balance towards meeting its objectives.

- 1.13. Further, those affected by the CPO will be informed and advised of their right to make representations to the relevant Secretary of State, to be heard at a public inquiry and of a fair entitlement to compensation where applicable.
- 1.14. Under paragraph 19, Schedule 11 of the Greater London Authority Act 1999 (GLAA), the Secretary of State may authorise TfL to compulsorily purchase any land which is required by TfL or a subsidiary of TfL for the purposes of the discharge of any function. Paragraph 19 also requires that the Mayor give his consent before a CPO is submitted to the Secretary of State for approval.
- 1.15. On 9 December 2020, the TfL Board approved the principle of making of a CPO for acquisition of the Property.
- 1.16. On 11 December 2020, TfL made the Transport for London (Surrey Quays Station Upgrade) Compulsory Purchase Order 2020 for the acquisition of the Property.
- 1.17. In accordance with the GLAA the Mayor is required to give his consent in order for TfL to submit the CPO to the Secretary of State to confirm the CPO. This MD seeks the Mayor's consent in that regard.

2. Objectives and expected outcomes

- 2.1. The CPO will secure the required interests to allow the Surrey Quays Station Upgrade, including a new entrance on the North side of Lower Road to proceed.
- 2.2. This will enable the wider ELL Growth Capacity Programme to be delivered which will unlock approximately 14,000 homes along the ELL line. This will deliver on key Mayoral objectives around transport-oriented development, an improved public transport experience and provision of new housing, including affordable housing.

3. Equality comments

- 3.1. Under Section 149 of the Equality Act 2010 ('the Equality Act'), as a public authority, in carrying out his functions the Mayor must have due regard to the need to eliminate unlawful discrimination, harassment and victimisation, and to advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not. This is known as the Public Sector Equality Duty. Protected characteristics under the Equality Act are age, disability, gender re-assignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage or civil partnership status (the duty in respect of this last characteristic is to eliminate unlawful discrimination only). In line with best practice, the impact on groups who also have the potential to be socially excluded, in this case, people on low incomes or from deprived communities, has also been considered notwithstanding that these specific attributes are not protected under the Equality Act but may be common to people with protected characteristics.
- 3.2. TfL has undertaken an Equality Impact Assessment (EqIA) for the station upgrade. It includes a detailed assessment of the short and long term direct and indirect impact on groups with protected characteristics under the Equality Act as well as the expected benefits to arise from the project.
- 3.3. Among the risks to protected groups that the EqIA identifies are longer travel times to the station as a result of construction works and changed access arrangements, and various barriers as a

result of poor wayfinding and signage, inadequate provision of toilets and seating and lack of provision of a fire lift.

- 3.4. The EqIA also identifies significant potential positive impacts of the project which will benefit those with protected characteristics in various ways. These include the provision of new step free access, additional capacity to alleviate congestion, new wayfinding and lighting, and raised platform humps.
- 3.5. The EqIA highlights and considers the impact on parties affected by the potential compulsory purchase, in particular the impact of the relocation of car parking currently provided on the Property. An adjoining resident has highlighted a disability which may mean they are disproportionately impacted by relocation of their car parking space. TfL is seeking further information to fully understand the potential impact and possible mitigation that could be put in place. These will be added to the EqIA once determined.
- 3.6. A detailed action plan of next steps to mitigate the risk of negative impacts identified is included in the EqIA. As the project continues to develop, TfL will keep the EqIA under review and duly consider its obligation under the Public Sector Equality Duty. The equalities implications of this project will be taken into account by the GLA on an ongoing basis as the detail of the proposals are developed and implemented.
- 3.7. Although potential adverse equalities impacts have been identified arising from the acquisition of the land for the Project, significant potential positive impacts also arise from undertaking the Project. In order for the land to be delivered in a timely manner for the Project and to ensure that the funding arrangements are not compromised, it is necessary to initiate the compulsory purchase process at this point. In making this Decision, the Mayor should note that:
 - TfL has identified equalities issues associated with the acquisition of land and will continue to explore potential mitigation to the issues identified; and
 - in providing his consent for the submission of the CPO to the Secretary of State, the compulsory purchase process itself will further examine equalities issues in balancing the compelling case in the public interest for the acquisition of the land against the interference with private interests and that a final decision on whether to confirm the CPO will take into account those considerations.
- 3.8. On the basis of the above, it is considered that due regard has been made to the Mayor's Public Sector Equality Duty and will continue to be made as the project develops.
- 3.9. In addition, the Mayor should consider the impact on human rights from the CPO in considering whether it strikes a fair balance between the public interest and the interference with private rights. Articles 1 and 8 of the First Protocol of the Convention for the Protection of Human Rights and Fundamental Freedoms (Convention) are relevant to the exercise of compulsory purchase powers in this instance and are respectively the right to peaceful enjoyment of possessions and the respect for private and family life and home. Subject to the equalities points made at paragraph 3.7 above, taking into account the exercise of compulsory purchase powers as a statutory process requiring confirmation from the Secretary of State, the provision for compensation to be paid to those affected, the limited private interests affected by the proposed CPO and the compelling case in the public interest for the Surrey Quays Station Upgrade to support new housing, it is considered that the interference with private property rights is necessary, proportionate and strikes a fair balance towards meeting TfL's objectives.

- 3.10. Those affected by the CPO will be informed and advised of their right to make representations to the relevant Secretary of State, to be heard at a public inquiry and of a fair entitlement to compensation (where applicable) thus ensuring compliance with Article 6 of the Convention and a right to a fair hearing.

4. Other considerations

Links to Mayoral strategies and priorities

- 4.1. The need to deliver new homes and an improved public transport experience are recognised in the Intend to Publish London Plan, the Mayor's Housing Strategy and the Mayor's Transport Strategy (MTS).
- 4.2. The improvements at Surrey Quays Station will:
- provide sufficient capacity to accommodate existing and future forecast demand within the Canada Water Opportunity Area up to 2041, aligning to MTS Proposal 71 and 82;
 - provide Step free Access to support a more accessible and inclusive transport network, aligning to MTS Proposal 55;
 - improve the accessibility of the Canada Water Masterplan development site by providing a new entrance on the north side of Lower Road, aligning to MTS Proposal 82;
 - promote Healthy Streets principles within the Canada Water Opportunity Area, aligning to MTS Proposal 50 and Policy 2;
 - promote use of the public transport network through providing a high-quality passenger experience of Surrey Quays station, the London Overground network and interchange with other public transport modes, aligning to MTS Policy 10 and 13;
 - enhance the development and regeneration benefits that the Canada Water Masterplan will bring to the Canada Water Opportunity Area, aligning to MTS Policy 21; and
 - unlock the delivery of new homes forecast within Canada Water Opportunity Area, aligning to MTS Policy 21.
- 4.3. The project enables growth which supports the following 'Intend to Publish' London Plan Good Growth policies:
- building strong and inclusive communities (Policy GG1) by unlocking strategic developments that include good quality services and amenities that strengthen communities and address social isolation;
 - making the best use of land (Policy GG2) by prioritising higher density development on brownfield land, in Opportunity Areas, and on public sector land sites with good public transport connections;
 - creating a healthy city (Policy GG3) by promoting the Healthy Streets Approach and improving accessibility of public transport infrastructure to promote active lifestyles;
 - delivering the homes Londoners need (Policy GG4) by unlocking housing developments with an aim for all sites to deliver a minimum of 35% affordable housing in Southwark and Lewisham, using the Affordable Housing Viability Supplementary Planning Guidance where possible; and
 - growing a good economy (Policy GG5) by providing public transport access to key employment hubs as well as ensuring that sufficient high-quality affordable housing is provided.

Key risks and issues

- 4.4. The Property is owned by Wandle but is also subject to some third-party land interests. TfL's preferred means of acquiring the property is through negotiation but discussions have not completed yet. If the negotiation breaks down and a CPO process has not been pursued in parallel as a contingency option, then the land may not be acquired by October 2021, preventing the project moving to the next stage of the HIF project.
- 4.5. This is further discussed in Part 2 of this MD.
- 4.6. Beyond the cost risk identified in 4.4 and Part 2 of this MD, there is a reputational risk to the Mayor and the GLA should the overall ELL project not proceed in a timely manner.

Consultations and impact assessments

- 4.7. The GLA has consulted TfL regarding the decision and their comments have been considered in the preparation of the decision.
- 4.8. The Mayor also notes that the CPO process will afford those affected by the CPO the opportunity to object to the CPO.
- 4.9. TfL has conducted an EqlA which has been reviewed and considered by the Mayor as set out above.

Declarations of interest

- 4.10. The officers involved in the drafting or clearance of this form do not have an interest to declare in accordance with the GLA's policy on registering interests which might, or might be seen to, conflict with this Mayoral Decision.

5. Financial comments

- 5.1. There are no direct financial consequences for the GLA arising from this decision.

6. Legal comments

- 6.1. The Mayor's consent to TfL submitting to the Secretary of State a CPO authorising acquisition of any land in accordance with section 2(2) of the Acquisition of Land Act 1981 is required under paragraph 19(3), Schedule 11, Greater London Authority Act 1999.
- 6.2. On 11 December 2020 TfL made the Transport for London (Surrey Quays Station Upgrade) Compulsory Purchase Order 2020, following a decision by the TfL Board on 9 December 2020
- 6.3. This Mayoral Decision will provide the consent for TfL to submit the Transport for London (Surrey Quays Station Upgrade) Compulsory Purchase Order 2020 to the Secretary of State for confirmation.
- 6.4. In exercising his power to provide the consent requested under this decision form, the Mayor should have regard to the Public Sector Equality Duty in section 149 of the Equality Act 2010 and to considerations of human rights. Reference should be made to section 3 above in this respect.

7. Planned delivery approach and next steps

Activity	Timeline
TfL Board approve in principle the making of the CPO	9 December 2020
Mayor's consent provided to submit the CPO to the Secretary of State	4 January 2021
CPO submitted to the Secretary of State for confirmation	5 January 2021
Inquiry into the CPO (if required)	June 2021
CPO confirmed	September 2021
Ownership of land vests in TfL following exercise of confirmed compulsory purchase powers	January 2022
Procurement of Design and Build contract	January 2022
Delivery Start Date	March 2023
Delivery Practical Completion	February 2025
Project Closure	March 2025

Appendices and supporting papers:

Appendix A – Land subject to CPO

Appendix B – Equality Impact Assessment

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

Part 1 - Deferral

Is the publication of Part 1 of this approval to be deferred? NO

Part 2 – Sensitive information

Only the facts or advice that would be exempt from disclosure under FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – YES

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer:

Tim Aldham has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

Phillip Graham has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

Heidi Alexander has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

Corporate Investment Board

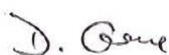
This decision was agreed by the Corporate Investment Board on 21 December 2020.

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature

Date



22 December 2020

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature

D. Bellamy

Date

21 December 2020