

Summary of events 2013 – To present day

Main abbreviations and parties:

The CPO: The London Borough of Croydon (Whitgift Centre and Surrounding Land bounded by and including parts of Poplar Walk, Wellesley Road, George Street and North End) Compulsory Purchase Order 2014

CLP: Croydon Limited Partnership

WLP: Whitgift Limited Partnership – CLP’s “property owning arm” – holds a long leasehold interest in the Whitgift Centre, subject to a number of sub-leases

ILTA: CPO Indemnity and Land Transfer Agreement between the Council, CLP, WLP and the Sureties which provides for the assembly of land for the redevelopment of the Whitgift Centre and surrounding land and CLP to indemnify the Council. The ILTA has been supplemented as explained below. The sureties are currently: Westfield Corporation Limited and Hammerson UK Properties plc

SoS: Secretary of State

SUO: Stopping up Order

NoE: Notice of Entry

NTT: Notice to Treat

GVD: General Vesting Declaration

WF: Whitgift Foundation – the freehold owner of the majority of the CPO land, most of whose interests were excluded from the CPO

Date	Event
January 2013	The Mayor of London adopted the Croydon Opportunity Area Planning Framework (OAPF) as supplementary planning guidance, indicating that major development was needed to deliver successful regeneration of Croydon’s retail core. The OAPF was adopted by the Council as a supplementary planning document in April 2013.
5 February 2014	Outline planning permission and conservation area consent granted: refs 12/02542/P and 12/12543/CA for a mixed use retail-led scheme, providing for comprehensive redevelopment of the Whitgift Centre and surrounding land. Related s106 agreement entered into.
7 April 2014	Cabinet resolved to make a CPO to assemble the land needed to facilitate the comprehensive redevelopment of the Whitgift Centre and surrounding land and gave authority to enter into contractual arrangements with CLP and related parties in relation to the scheme. Delegated authority was given to specified officers to take all necessary steps to promote the CPO, acquire land and rights by agreement or under the CPO and to complete the contractual arrangements with CLP.
15 April 2014	The Council entered into the ILTA (see above). The CPO was made by the Council and submitted to the SoS.

18 April 2014	First publication of the making of the CPO.
10 November 2014	Judicial review claim brought by the Whitgift Trust in respect of the outline planning permission dismissed by the Court.
24 December 2014	Detailed planning permission granted for a small part of the site (Chapel Walk) 14/02824/P.
28 January 2015	Non-material amendment of outline planning permission 12/02542/P approved.
4 February 2015	Supplemental and novation agreement to ILTA entered into and a related "Access Management and Maintenance Agreement" re land in Dingwall Avenue proposed to be stopped up (proposed frontage to a new John Lewis store).
February – March 2015	Public Inquiry: CPO & SUO (SUO for part of Dingwall Avenue).
25 September 2015	First publication of notice of confirmation of CPO (but "Confirmation Date" in ILTA is specially defined as 23.02.16).
16 February 2016	Statutory challenge to confirmation of the CPO withdrawn by consent.
16 December 2016	Dingwall Avenue SUO published (but not implemented).
20 April 2018	Second outline planning permission for larger retail and housing scheme granted ref: 16/05418/OUT and s106 agreement completed.
8 June 2018	Takeover of Westfield Corporation Limited, one of the participants in CLP, by Unibail-Rodamco SE.
11 June 2018	Cabinet considered a report regarding CLP's "reasonable prospects of delivery" of the scheme and the implications of the revised planning permission, authorised execution of GVD(s) and service of NTTs (subject to relevant notices being served by CLP under ILTA) and amendment of the ILTA re Second Planning Permission. Cabinet authorised officers to take all necessary steps to implement the CPO and in relation to the Council's obligations under the ILTA.
4 July 2018	Second Supplemental Agreement to ILTA in light of Second Planning Permission and amended timescales. Escrow Agreement entered into on the same date.
18 July 2018	Second Dingwall Avenue and Poplar Walk SUOs published (again not implemented).
17 August 2018	CLP served "Drawdown Notice" and "RFD Notice" under the ILTA requesting service of notices/ execution of GVDs to implement CPO in specified ways in respect of individual plots. The RFD Notice confirmed that the Third Party Interests and New Rights proposed by CLP were required for the purposes of the Development (as then envisaged).

17 August 2018	Third Supplemental Agreement to ILTA and “Standstill Agreement” with Marks & Spencer PLC entered into (in connection with CLP’s proposed agreement with M&S).
September 2018	<p>CLP paid estimated CPO compensation into an Escrow Account, following which 3 GVDs were executed by the Council and Notices of GVDs and NTTs were served (+ NoEs in limited circumstances). The service exercise began on 5 September 2018 and the majority of NTTs were served on 6 September 2018. Service of notice of each of the GVDs was completed on 6, 10 and 12 September 2018.</p> <p>The GVD land vested in the Council on 1 February 2019 (GVD2), 5 February 2019 (GVD1) and 7 February 2019 (GVD 3).</p>

Narrative: Events up to 2018

- 1.1 From 2000 onwards, Croydon town centre was in decline. Over the next ten years studies were undertaken which increasingly demonstrated the need for comprehensive regeneration. The Opportunity Area Planning Framework and the Core Strategy, both adopted in 2013 provided the policy context for a comprehensive regeneration, to be facilitated through a Compulsory Purchase Order. (CPO) Other parts of the town centre were covered by five delivery focused masterplans.
- 1.2 Croydon Limited Partnership (CLP) and various associated entities were formed by Westfield Shopping Towns Limited and Hammerson UK Properties Limited in January 2013 as a joint venture to take forward proposals for the redevelopment of the Whitgift Centre and surrounding land. Prior to that time, each of those parties had been making separate efforts to acquire land and rights needed to undertake redevelopment. (Westfield Corporation Limited was acquired by Unibail-Rodamco SE in 2018 and now trades as Unibail-Rodamco-Westfield.)
- 1.3 In 2014 when the CPO was made it was estimated that at least 360 parties held interests in the land needed for redevelopment. The Whitgift Centre was subject to at least four distinct layers of ownership: the freehold (which was then and is still held by the Whitgift Foundation), a head lease (which had been acquired by Whitgift Limited Partnership, (WLP) CLP’s “property arm”) an underlease (subsequently acquired by WLP) and the occupational tenants and other occupiers.
- 1.4 As at 2014 it was estimated that there were at least 160 occupational tenants and other interests in the Whitgift Centre and surrounding properties in North End and George Street, including a wide range of national retailers and some 40 smaller independent retailers and over 90 concessionaires trading from the former Alders building. Other parties with significant interests in the site included Minerva Stores Limited, Marks & Spencer, Legal & General Assurance Society Limited, the long lessees of the two multi-storey car parks and various mortgagees. In addition, the Council held (and still holds) superior interests in the two car parks and parts of the highway land surrounding the site.
- 1.5 The CPO Indemnity and Land Transfer Agreement (ILTA) is a contract between CLP and the Council entered into in 2014 (and subsequently revised) which governs their relationship in respect of taking forward the redevelopment of the Whitgift Centre under which CLP indemnifies the Council in respect of all costs arising through the CPO process.

- 1.6 A revised planning permission for the redevelopment was granted in 2018 (ref: 16/05418/OUT). This addressed issues raised during the CPO inquiry and viability and operating requirements.
- 1.7 In June 2018, Cabinet authorised officers to take all necessary steps to implement the CPO and in relation to the Council's obligations under the ILTA, on the basis of CLP having provided evidence of "reasonable prospects of delivery" of the scheme. Amendments to the ILTA were also approved to align the agreement with the revised planning permission.
- 1.8 It should be noted that whilst the ILTA has been updated on three occasions, it does not reflect the current situation of retail decline, the impact of the Covid pandemic and the resulting changed nature of town centre recovery and regeneration that is now needed. A review and update of the ILTA is dependent on the outcome of the ongoing conversations between the Council and CLP on future proposals for the Whitgift.
- 1.9 The June 2018 Cabinet resolution included delegations as set out below, which are still relevant. The Council has considered the specific delegations below and is satisfied that these are still applicable for the purposes of implementing and progressing all the necessary matters arising from the CPO.

*The Cabinet **RESOLVED** to agree that the Executive Director of Place, acting in consultation with the Director of Law & Monitoring Officer be authorised to:*

- a. *take all necessary steps to implement the The London Borough of Croydon (Whitgift Centre and Surrounding Land bounded by and including parts of Poplar Walk, Wellesley Road, George Street and North End) Compulsory Purchase Order 2014 ("the CPO") including the execution of one or more General Vesting Declarations and the service of Notices to Treat and Notices of Entry in respect of interests and rights within the Order Land specified in the Drawdown Notice;*
 - b. *take all necessary steps in relation to the acquisition of land and new rights and settlement of compensation and any other claims or disputes including legal proceedings relating to the implementation of the CPO, defending or settling claims made to the Lands Chamber of the Upper Tribunal and/or any applications made to the Courts and any appeals;*
 - c. *in the event that a valid Call Option Notice is served on the Council on behalf of the Developer in accordance with the terms of the ILTA (as amended):*
 1. *to appropriate the Council's land interests referred to in paragraph 10.1 for planning purposes pursuant to section 122 of the Local Government Act 1972; and*
 2. *to arrange for the transfer to the Developer of the Council owned land within the redevelopment site identified in paragraphs 10.1 and 10.13; and*
 - d. *take all other necessary steps in relation to the implementation of the CPO and in relation to the Council's obligations under the ILTA.*
- 1.10 The role of the Council in progressing the redevelopment of the Whitgift has always been one of facilitator with its statutory powers as a Local Planning Authority, Highway Authority and as an acquiring authority for CPO purposes. The role of CLP has been to fund and use its commercial expertise and land ownership to deliver an appropriate redevelopment.

2019 – The Present

- 1.11 In early 2019 CLP initiated high level discussions with planners regarding reserved matters and possible non-material amendments to the outline planning permission (ref: 16/05418/OUT). These were in response to improving the scheme's viability but were

not pursued further with the LPA. In mid-February 2019, CLP issued a press report that the redevelopment scheme was “under review [by the developer] due to Brexit and structural changes on the high street” and that development would not begin until 2020.

- 1.12 Following service of notices as part of the exercise of CPO powers in September 2018, land interests subject to three general vesting declarations (GVDs) vested in the Council in early February 2019. This included the L&G parcel on North End, occupied by H&M. In July 2019, the former Alders store was possessed, which accommodated the Croydon Outlet Village. The poor state of repair of the premises required their immediate closure and the relocation of traders into alternative accommodation within the Whitgift Centre. Since then, CLP has been managing the Alders building, has undertaken survey work and is in the process of clearing the building.
- 1.13 In February 2021 – the target date for CLP to commence the retail component of the scheme passed. In April 2021 - the outline planning permission (ref: 16/05418/OUT) expired. The Council has continued dialogue with CLP both at political and senior officer level throughout these key milestones. The Council is aware that throughout Europe and the USA, retail malls are seeking to reimagine themselves, in a world of online shopping and a move away from consumerism. The pandemic has accelerated these changes and has created a very difficult business environment for both CLP partners. Both have seen their balance sheets suffer and their ability to undertake capital expenditure has been significantly curtailed. Existing and previously robust centres such as Stratford and particularly, West London have suffered with footfall significantly down. Croydon on the one hand is fortunate that the 2018 development did not proceed; opening post pandemic with an outdated operating model, but the Whitgift Centre now is very tired and requires a fresh approach away from a traditional model dominated by retail and anchored by department stores. An approach is needed founded on its own inherent uniqueness, rich surrounding heritage and harnessing a range of uses and likely different leasing arrangements.
- 1.14 It has become increasingly apparent that the extent of the structural changes in high street shopping, added to the impact of Covid 19 Pandemic, that a retail-led scheme of the kind previously envisaged and consented is not feasible. Preparatory discussions with CLP have focused around a mixed use scheme, with a lesser quantum of retail and increased office/workspace, education uses, leisure, community, public realm and residential. This is likely to be a phased approach, based on a comprehensive masterplan, with an initial first phase of the former Alders building and its surrounds. It is also apparent that it may be several years before the necessary investment and major works are likely to be commenced. To shape and inform future proposals, the Council's emerging Local Plan Review chapter for the North End Quarter and its evidence study on the future of destination retail and the town centre sets out important parameters and guidance for a more resilient mix of uses and needs to revitalise the area.