# Property Week



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## Elephant and Castle's 20 year journey

By Adam Branson | Fri 18 October 2019

They say that good things come to those who wait, but in Elephant and Castle in south London, people have had to wait an awfully long time — and that wait is not over yet.

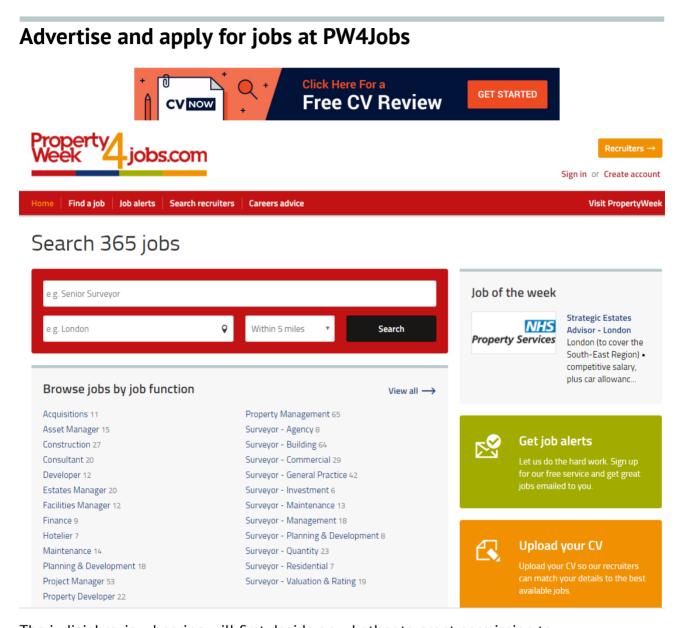
A judicial review of Delancey's redevelopment of the Elephant and Castle shopping centre begins next week

Twenty years after plans for the redevelopment of the Heygate Estate were first submitted, it presents yet another unwelcome hurdle for a regeneration project dogged by controversy and false starts over the years.

However, it comes too late to affect delivery of the rest of the masterplan by Lendlease, which is well under way and due to be completed in 2025.

Property Week caught up with some of the protagonists to find out why they think Elephant and Castle has proved quite so challenging and to ask whether

this latest setback will be a major one or just a minor stumbling block.



The judicial review hearing will first decide on whether to grant permission to proceed. If that is given, the case will be heard. If not, Delancey will be hoping to resume work as quickly as possible.

Ironically, the very element that has been the main thorn in the side of locals – the amount of affordable and specifically social housing – was not as much of a priority when the redevelopment of the area was conceived.





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The seeds of the Elephant and Castle development saga were sown in 1997, when the London Borough of Southwark published its regeneration strategy for the borough. At the time, the area had one of the highest proportions of social housing in the capital and the political consensus was that the creation of more mixed communities should be prioritised.

The council duly appointed Southwark Land Regeneration (SLR) as developer for the regeneration of the vast Heygate Estate.

Things got off to a good start, recalls then director of regeneration at Southwark Fred Manson, who left in 2001 and is now a consultant to Heatherwick Studio. "When we proposed this, the councillors weren't at all sure that people would want to do it," says Manson. "The important thing is that we got four serious bids. Suddenly people realised it was real and could take place."

The competition was won by SLR, a special-purpose vehicle put together by Godfrey Bradman, who had previously worked with Sir Stuart Lipton on Broadgate in the City. SLR's proposals were compelling.

The company promised a new public park, 100% reprovision of social housing, a

generous profit share arrangement with the council and the establishment of a community land trust (CLT) for part of the site to provide affordable housing in perpetuity.

### **Initial support**

Jerry Flynn was then a Heygate resident, who went on to play a leading role in the opposition to Southwark's plans for the estate. He says SLR's vision initially won a lot of local support, although some residents expressed reservations.

For his part, Manson does not believe the developer's plans were realistic, something that ultimately led to the breakdown of discussions in 2002.

"Godfrey won the bid because he was very astute – and also very vague," he says. "He involved lots of people and came up with a very attractive proposition. There were plans for a CLT, but I'm not sure it would have been taken forward."

Manson adds that although he thinks a CLT is a good idea, it would have been difficult to implement at Elephant and Castle. "The land is so valuable and the people are so mixed and with different objectives," he explains.

# Godfrey won the bid because he was very astute – and also very vague

Fred Manson

"The trope was 'we want you to have ownership of this scheme' and some people thought that meant they would actually own it. It took some time to explain that this was a metaphor."

Negotiations between SLR and the council lasted three years before finally breaking down in 2002. SLR had never even come close to putting a spade in the ground.

Following the 2002 local elections, the Labour council was replaced by a minority Liberal Democrat administration, which set about reviving the plans for

the Heygate Estate.

This time around, the council decided it would take the lead and engaged Make founder Ken Shuttleworth (then at Foster + Partners) to draw up a masterplan for the estate's regeneration.

"The original Elephant and Castle masterplan was all about providing environmental and economic improvements to the area," says Shuttleworth. "The masterplan aimed to build on its brilliant location and the diversity of its locality."

# Timeline 1997 Southwark council publishes regeneration strategy

1999 SLR is appointed preferred partner

2002 Negotiations between Southwark and SLR break down

2002 The new Liber

# Beauty parade

Having drawn up a framework to quide development of the area, Southwark council went back out to the market to find a developer. "They told developers what they wanted and the normal beauty parade led to the appointment of Lendlease," says Flynn.

However, along the way, the local authority lost the support of the community. "There was a big Democrat-led council appoints Ken Shuttleworth to produce a masterplan for the project

2004 Southwark publishes Elephant and Castle Development Framework

2007 Lendlease is appointed development partner and 'decant' of residents starts

2010 Regeneration agreement between council and Lendlease is signed

2012 Southwark applies for a compulsory purchase order to remove leaseholder

2012

falling out with the tenants and residents' association, which came to a head in 2007, when Southwark decided to decant the estate," says Flynn.

"The idea was that they would build new homes off the footprint, the residents would move to those new homes, new homes would be built on the Heygate and the estate's residents would have had the option to move back."

As anticipated, the 'decant' proved highly controversial. Campaigners claimed that many residents were moved miles away from the community and that any

# confirmed and the last residents are evicted

2016 Delancey applies for planning permission to redevelop Elephant and Castle shopping centre

2019 Judicial review of Southwark's approval of Delancey's plans starts on 22 October

prospect of a return was academic at best.

However, Johnson Situ, cabinet member for growth at Southwark council, disputes this claim. "The vast majority of Heygate residents moved to within a couple of hundred metres of the SE17 area," he says. "They basically stayed in the local area and their kids attended local schools. Across the borough, one

of the things we try to do is maintain communities and ensure that people see the benefits of regeneration."

Although the Lib Dem administration had selected Lendlease as development partner in 2007, it failed to reach a final agreement with the company. Following the 2010 local elections, Labour took control and quickly finalised negotiations.

"I think Labour came in and thought they had to make progress by 2014," says one local resident, who prefers not to be named.

Lendlease says it spent a lot of time working with local residents to ensure that the masterplan reflected their aspirations and made changes accordingly. "We

responded to the indicative masterplan that the council had put in place," says Kristy Lansdown, project director at Lendlease.

"The team spent a lot of time with the community, whether that was extensive community consultation, design workshops or walk-and-talks.

"It was about understanding their ambitions for the area. Our masterplan changed from what was conceived in terms of the buildings and the uses and retaining mature trees. It shifted to what it is today."

Flynn acknowledges that Lendlease engaged with locals. "It did do a lot of community consultation – I have to admit that," he recalls. "But it didn't address the essentials of the development. The fundamental thing is that it only provided 25% affordable housing."

He points out that Southwark council's policy was and remains that 35% of new housing on large developments should be affordable. "They reduced massing and saved some trees, which is all well and good, but the essentials didn't get addressed," he says.

In response to this criticism, which has been levelled at the developer many times over the years, Lendlease points to a viability study undertaken before the regeneration agreement was signed, which found that 25% was the maximum possible level of affordable housing.

Flynn and his fellow activists dispute the number and even took the matter to the Information Commissioner in order to get the viability assessment released.

Situ argues that the council pushed as hard as it could on affordable housing, particularly housing for social rent, and adds that a far higher proportion has been provided in the wider Elephant and Castle opportunity area.

He also points out that the agreement was signed in 2010 during the global financial crisis, when potential sales values were far lower. This necessitated a lower proportion of affordable homes and social rent units.

If the development agreement were being signed today, "we would hope to be in a different position in terms of social rent", he notes, adding: "There are always lessons to be learned, but we go further than most London boroughs.

We are the only borough to require social rent as part of our planning policy.

"If you look at the wider opportunity area, we have seen an increase in social rent."

#### Sense of achievement

Today, Lendlease is halfway through the development of Elephant Park and Lansdown says she is proud of what has been achieved to date.

"We have delivered nearly 1,500 homes and we're very focused on jobs," she says. "Our ambition is to create 6,000 new jobs: around 5,000 during construction and 1,000 in operation."

Lansdown adds that since the construction skills centre at Elephant Park opened in 2016, more than 6,000 people have been trained at the centre. "We're also very proud that we have put 1,389 local people into jobs across the borough," she says.

Lendlease is now focusing on the development's public realm, commercial and leisure aspects, as well as getting on with the remaining homes.

"We're focused on customer experience – how people are going to enjoy those spaces," says Lansdown. "There is a focus on local independent retailers. We aim to complete the masterplan by 2025 and will be involved in long-term estate management and also retaining the retail spaces for a period of time."

While unhappy about the proportion of affordable housing and the way in which the decant was managed, one local leader, who asks to remain anonymous, is otherwise pleased with the emerging development.

"It used to be somewhere you didn't go, but today the quality of the architecture and public realm is really good," he says. "As things have gone on, they have made it better."

There are still hurdles to overcome. For a start, there is the judicial review of Delancey's planned redevelopment of the Elephant and Castle shopping centre, which comes in response to calls from the 'Up the Elephant' campaign, a coalition of locals who want more social housing and a better deal for traders.

For its part, Delancey says it is committed to "creating a thriving town centre in Elephant and Castle and is confident about the significant benefits the redevelopment will bring to the area, both now and in the future".

The spokesperson adds: "The redevelopment will create a new Zone 1 destination, providing 979 new homes – including 35% affordable housing – on a site where none currently exists and at a time when the capital's housing provision is under significant strain."

Delancey says it is committed to keeping the local community updated on its plans and to working closely with existing businesses in the shopping centre and other local stakeholders.



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However, local opponents are still concerned that the community on the Heygate Estate has been irreparably fractured.

Although Situ insists that "some people have moved back" and the right to return remains in place, Flynn is unimpressed.

"It's been a long time since they left and there is only a limited amount of social rented housing," he says, adding that this is what "most of the people who left need".

He adds: "I'm sure [the council] would love to see people moving back because it would make for a nice press release, but I don't think it's going to happen.

"To be fair to Lendlease, it wasn't their job to rehouse people. That was up to Southwark. Lendlease arrived on the scene after all those promises had been made."

In response to such criticism, Southwark points to the benefits that the development is delivering to the local area.

### Genuinely affordable

"Twenty years on, we've seen new, genuinely affordable homes, new jobs on site and in the new retail, and just yesterday a new workspace was granted permission as well," says Situ.

"We're not there yet, but we're really proud to see the development over the past few years reflecting ambitions from all those years ago."

So what does the man who kickstarted the whole business think?

Remarkably, Manson says that in retrospect the Heygate Estate should never have been demolished.

"I regret that it was knocked down," he says. "It was a very thoughtful estate in its design. It was bucolic really. It wouldn't have been impossible to intensify the site. To knock the whole thing down was a missed opportunity."

Others, of course, argue that the development had dated badly. We will never know if the old estate could have been given a new lease of life as Manson now believes.

What is not in doubt is that despite the legal challenge to the shopping centre redevelopment, this long-running development saga is slowly but surely inching towards its conclusion.

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