

LONDON BOROUGH OF CROYDON

REPORT:	CABINET	
DATE OF DECISION	25th September 2024	
REPORT TITLE:	Whitgift Indemnity and Land Transfer Agreement (ILTA) Remedy - Update	
CORPORATE DIRECTOR:	Nick Hibberd Corporate Director of Sustainable Communities, Regeneration and Economic Recovery	
LEAD OFFICER:	Heather Cheesbrough, Director of Planning and Sustainable Regeneration	
LEAD MEMBER:	Cllr Jeet Bains Cabinet Member for Planning and Regeneration	
KEY DECISION?	Yes	<p style="text-align: right;">1624EM</p> <p style="text-align: right;">REASON: Key Decision – Decision incurs expenditure, or makes savings, of more than £1,000,000 and also meets community impact criteria.</p>
CONTAINS EXEMPT INFORMATION?	YES	<p>Public with exempt Part B report and Appendices</p> <p style="text-align: center;">Grounds for the exemption: Exempt under paragraph(s) 3 and 5 of Schedule 12A of the Local Government Act 1972 and the public interest in withholding disclosure outweighs the public interest in disclosure.</p>
WARDS AFFECTED:	Fairfield & Addiscombe West (in part)	

1 SUMMARY OF REPORT

- 1.1** This report updates on the ongoing regeneration of Croydon town centre, which is a key Council priority as described in the Executive Mayor’s Business Plan. It details the progress made over the last 18 months on the redevelopment of the Whitgift Centre and the productive reset of the Council’s relationship with Croydon Limited Partnership and its related entities (referred to together in this report as “CLP”, unless otherwise stated).
- 1.2** The progress made on bringing forward the redevelopment of the Whitgift is one component of a comprehensive approach to the town centre’s regeneration which is being led by the Executive Mayor orchestrated through a range of interventions and activities by the Council, all of which are being undertaken through an approach of collaboration and partnership. The report describes how, the revised Indemnity Land Transfer Arrangement (ILTA) will, through the proposed allocations of the remedy payment, make a valuable contribution to the current and future regeneration of the town centre. This includes the agreement of milestones for the submission of a

masterplan framework and a planning application for a significant area of land within the Whitgift site.

- 1.3** This report is an update to the 25th January 2023 Cabinet report in relation to the ILTA remedy and works, following the non-delivery of the redevelopment of the Whitgift Centre within the specified timeframe. The report seeks authority to enter into agreements and deal with other matters related to the contractual arrangements between the Council and CLP.

2 RECOMMENDATIONS

For the reasons set out in the report and appendices, Cabinet is recommended to:

- 2.1 Agree to enter into the following agreements to facilitate the regeneration of the town centre:
- a) Deed of Release and Replacement of Guarantor in respect of the CPO Indemnity & Land Transfer Agreement (“ILTA”) releasing Hammerson UK Properties Limited as a guarantor and appointing Unibail-Rodamco TH B.V. as the replacement guarantor; and
 - b) 4th Supplemental Agreement to the ILTA in relation to general updating and introducing the revised remedy provisions.
- 2.2 Agree to delegate authority to the Corporate Director of Sustainable Communities, Regeneration and Economic Recovery to negotiate and enter into a Conditional Land Sale Agreement in relation to the freehold of the former Allders Car Park, the leasehold of the Whitgift Car Park, subsoil of a small area of land in Poplar Walk, subsoil of part of Dingwall Avenue, and possible ground anchor licences.
- 2.3 Agree to delegate authority to the Corporate Director of Sustainable Communities, Regeneration and Economic Recovery in consultation with Executive Mayor and Cabinet member. to finalise the terms of the above agreements (as set out in paragraphs 2.1 and 2.2) and take decisions pursuant to the above agreements once completed, including in relation to the implementation of the remedies

3 REASONS FOR RECOMMENDATIONS

- 3.1 The contractual arrangements concerning the Whitgift Centre and surrounding land in the town centre were originally entered into between the Council and CLP and its related entities in April 2014 and have since been updated on three occasions, mainly to accommodate CLP’s revised redevelopment proposals. The existing contractual arrangements do not take account of current circumstances or conditions in the town centre and there is a need to update and extend them to respond to the re energised relationship with CLP following monthly strategic meetings with the Executive Mayor and senior officers, to facilitate the regeneration of the town centre.

- 3.2 The ILTA includes provisions for the non-delivery of CLP's redevelopment, with a remedy for the Council, which would consist of "Improvements to North End to a cost of £4m indexed (from 5 February 2014)" to be carried out by the developer and a programme of asset management initiatives at the Whitgift Centre. The Council served a Remedy Notice on CLP pursuant to 25th January 2023 Cabinet decision. The Council has been engaged in 'without prejudice' negotiations with CLP in respect of the remedy. With the application of indexation, the remedy payment is now in excess of £6m.
- 3.3 The outcome of negotiations has been positive and proposed amendments to the existing contractual relationship include:
- a) replacement of the present guarantors with a single guarantor following the exit of Hammerson from CLP and changes to the corporate structure affecting URW;
 - b) revised remedy provisions intended to ameliorate the impact of non-delivery of CLP's comprehensive proposal and general updating of the ILTA; and
 - c) the proposed transfer of Council land interests to CLP, subject to satisfaction of conditions, to enable redevelopment of parts of the overall site.

4 BACKGROUND AND DETAILS

Town Centre Context

- 4.1 The changing role and function of town centres and retail, and the devastating impact of the Covid 19 pandemic on the vitality and viability of town centres is well documented. Croydon has been no different than many other metropolitan centres in having been impacted. The delay in the redevelopment of the Whitgift, which had already impacted the viability and vitality of the town centre was further exacerbated by the pandemic and this has resulted in notable vacancies and a declining retail offer. The current perception of the town centre's safety and security with its degraded environment and tired public realm, is a major deterrent to investment and its ability to host a thriving night-time economy, with a diverse food, beverage and leisure offer.
- 4.2 The Executive Mayor recognised the regeneration of the town centre as a key priority within his Business Plan and since then has been establishing strong partnership arrangements to drive the delivery of regeneration and address the impacts set out above and improve its vitality and viability. The report to Cabinet of 25 January 2023 sets out the background to the contractual arrangements between the Council and CLP leading up to and following CLP's non-delivery of their comprehensive proposal for which the CPO was made.
- 4.3 At the Cabinet meeting in January 2023 the Executive Mayor authorised the Corporate Director of Sustainable Communities, Regeneration and Economic Recovery to serve notice on CLP to trigger the remedies provided for under the ILTA. That notice was served in February 2023.

- 4.4 It was recognised at the time of the last report that the remedies provided for in the ILTA are not, in current circumstances, the best use of the available resources to seek to mitigate the impact of failure to carry out the redevelopment. Council officers and CLP have ,therefore ,continued ‘Without Prejudice’ discussions aimed at agreeing an improved package of remedy measures which are more closely aligned to current conditions in the town centre and its immediate needs and that also seek to secure that longer term proposals are brought forward by CLP. These discussions have really strengthened the partnership between CLP and the Council, with the Executive Mayor regularly meeting URW’s UK Chief Operating Officer and Development Director for Croydon to be updated on progress and deepen understanding of the challenges and opportunities of bringing forward a complex, phased regeneration scheme. This has fostered a collaborative approach to problem solving and allowed a much greater appreciation of each party’s priorities and drivers.

Town Centre Regeneration Activities and Projects

- 4.5 The 31st January 2024 Cabinet Report - Town Centre Regeneration Programme and Growth Zone annual budget and programme 2024/25 – set out in detail the level of town centre regeneration activity and the programmes and projects to be funded by the Growth Zone in 2024/25. This programme of projects is a proactive approach to addressing the town centre’s challenges and, with partners, focus investment into impactful infrastructure interventions in the town centre.
- 4.6 The Town Centre Regeneration Strategy has reached the strategic visioning stage, with the spatial framework and delivery plan to follow on with completion set for April 2025. This Regeneration Strategy will be used to promote and guide the regeneration of the town centre alongside the Local Plan Review and other key planning documents. A key component of the Regeneration Strategy is the Council led Inward Investment Plan, which sets out how the Council can attract external funding and resources into Croydon to develop existing and new assets, new infrastructure and technologies, or new services and activities. This is being finalised and will be reported to Cabinet on this same agenda.
- 4.7 The Urban Room opened in the Whitgift Centre in May 2024 and operates as the focus for engagement and collaboration on town centre regeneration and planning activities. The Growth Zone is funding a series of London Borough of Culture legacy activities to continue and build on the success of the London Borough of Culture. The detailed design of Minster Green Public Realm scheme has been completed and is moving into delivery phase.
- 4.8 Following receipt of £18.5m Levelling Up Funding in late 2023 for Reconnecting Croydon a project team has been quickly mobilised to work up concept designs and explore and agree delivery arrangements. This has included the identification and agreement of the procurement strategy for two of three phases, Phase one early deliverables are already underway and the second phase package is now out to tender.

4.9 CLP are now underway with the preparation of their masterplan framework, including formal engagement with the Local Planning Authority. The design and planning process will involve two parts: A masterplan framework to establish the key principles, followed by the submission of a planning application informed by the masterplan framework. This masterplan framework will be subject to public consultation through the Urban Room this Autumn as part of CLP's public engagement activities. The masterplan framework will outline a phased approach to the redevelopment of the Whitgift and consist of a mix of land uses, rather than retail led, to respond to how town centres now operate. This will allow greater flexibility and resilience to cope with future change.

Whitgift Indemnity and Land Transfer Agreement (ILTA) Remedy

4.10 As explained in section 3, the Council has been in 'Without Prejudice' negotiations on the Whitgift remedies with CLP and the outcome has resulted in the proposed changes to the existing contractual relationship detailed in this report and the confidential Part B report. High level details regarding the allocation of the remedy is set out in paragraph 4.24 and further details are included in the confidential Part B report. The reason such details are included within the confidential Part B report, is because they relate to 'Without Prejudice' discussions at this stage and, until the proposed 4th Supplemental Agreement to the ILTA has been entered into, such details remain subject to confidentiality. All the remedies are envisaged to make a valuable contribution to addressing the current issues in the town centre, promoting regeneration now as well as supporting the actualisation of the end state through the redevelopment of the Whitgift and Centrale. The remedies seek to promote activities and footfall in North End, bring the former elements of the Alders building back into meanwhile use, enhance safety, security and cleansing, promote public engagement, enhance connectivity between East Croydon station and the Whitgift Centre and support the masterplanning work.

4.11 There are a number of other issues which need to be addressed at the same time as documenting the revised remedies. These issues include general updating of the ILTA as a whole to take account of the way in which matters have unfolded and:

- a) a need to revise the parties to the ILTA and agree a replacement guarantor; and
- b) a request from CLP to acquire four land parcels owned by the Council within the wider Whitgift site.

4.12 Officers have now negotiated two separate agreements and are still in the process of negotiating a third agreement needed to deal with these matters which are referred to further in the following paragraphs:

- a) the proposed Deed of Release and Replacement of Guarantor (releasing Hammerson, one of the original guarantors, and replacing them with a new guarantor, Unibail-Rodamco TH B.V. ("URTH");
- b) the proposed 4th Supplemental Agreement to the ILTA (releasing Westfield as guarantor, revised remedies and general amendments to the ILTA);
- c) the proposed Conditional Land Sale Agreement, the final terms of which are being negotiated.

- 4.13 Further details of the proposed agreements are included in the confidential Part B report. It is intended that the three agreements should be completed sequentially on the same day.

Proposed Deed of Release and Replacement of Guarantor– releasing and replacing Hammerson as guarantor of CLPs obligations under the ILTA

- 4.14 The original participants in CLP were Hammerson entities and Westfield entities, each owning 50% and each providing a joint and several parent company guarantee or “surety” for the CLP’s liabilities under the ILTA.
- 4.15 Since 2014 there have been a number of changes affecting both groups of companies. In June 2018 Unibail-Rodamco SE took over Westfield Corporation and Unibail-Rodamco-Westfield SE (“URW”) was formed. In April 2023 URW announced that it had acquired Hammerson’s interests in CLP.
- 4.16 To reflect the proposed changes in the identity of the guarantors, CLP has proposed that the Council enters into a deed of release and replacement under which Hammerson UK Properties Limited would be released and URTH would replace Hammerson. The fourth supplemental agreement to the ILTA referred to below would then provide for Westfield Corporation Limited to be released, leaving URTH as the sole surety for the purpose of the ILTA as varied. The Deed of Release is intended to be completed immediately before the 4th Supplemental Agreement is entered into.

Proposed 4th Supplemental Agreement to the ILTA –release of guarantor, general updating and revised remedy provisions

Replacement guarantor

- 4.17 URW has proposed that the present Westfield and Hammerson parent companies who have acted as guarantors for the ILTA should be released and replaced with a single guarantor: URTH, a company incorporated in the Netherlands. Officers with the assistance of external advisers (Deloitte LLP) have undertaken due diligence on URTH and consider it to be of sufficient financial standing to act as the sole replacement guarantor. Further details regarding the outcome of the due diligence exercise have been included in the confidential Part B report.
- 4.18 Unlike the present sureties, URTH does not publish its accounts. One of the changes to the ILTA embodied in the proposed variations is for URTH to covenant to maintain a specified minimum level of net assets (detailed within the Part B report) and to allow the Council to request financial information and written confirmation from the chief financial officer of URTH that the specified level of net assets has been maintained. That information may only be requested once in every year and would be subject to confidentiality obligations.

General update of ILTA provisions

- 4.19 One purpose of the 4th Supplemental Agreement to the ILTA is to adapt the contractual terms of the ILTA to more closely align with current circumstances. The original ILTA was designed to provide a framework for facilitating a comprehensive (primarily retail-led) redevelopment scheme as envisaged in the 2014 and 2018 planning permissions. That scheme will not now proceed. As noted below, the remedy provisions in the original ILTA are no longer considered to provide the most effective means of ameliorating the consequences of non-delivery of the earlier proposals.
- 4.20 As regards a general update of the ILTA provisions (in addition to the replacement of the guarantors as explained above), the main changes include:
- a) The removal of some of the entirely redundant provisions;
 - b) Revised scope of ground anchor licences to accommodate future planning permission (these provisions may instead, be incorporated in the conditional land sale agreement referred to below);
 - c) Revised controls on demolition; and
 - d) Revised controls on assignment, disposal and charging.

Revised remedy provisions

- 4.21 The existing provisions of the ILTA that apply when the retail element of the redevelopment scheme had not commenced by a specified cutoff date (now passed) provide for CLP to:
- a) carry out improvements to an identified area within North End to a cost £4 million indexed from 5 February 2014 or, at CLP's election, to instead pay that sum to the Council to carry out those improvements (both parties to act reasonably in agreeing a specification for the works); and
 - b) carry out a programme of asset management initiatives at the existing Whitgift Centre with the objective of maintaining a vibrant and attractive destination and maximising footfall in so far as reasonably practicable "having regard to the state of the land and the physical context".
- 4.22 In current conditions, physical improvement works to North End are not considered by officers (or CLP) to be the most pressing need or most effective means of seeking to reinvigorate Croydon town centre or make best use of the remedy resources. In order to mitigate the impact of non-delivery of the former schemes, there is a need to preserve and enhance the wider town centre so far as practicable, pending any substantial redevelopment coming forward.
- 4.23 The parties have negotiated on a 'Without Prejudice' basis the following revised package of remedy measures:
- a) North End Activities – a programme of activities, funded by CLP, to be undertaken in North End and the immediate surrounding area including events, pop-ups, installations and performances aimed at maintaining and increasing footfall in the

town centre and helping to improve its vitality and reduce anti-social behaviour. The proposed events programme would build on the experience of Borough of Culture by showcasing a varied, accessible and quality cultural offer aimed at providing new reasons for people to visit the town centre and help change negative perceptions.

- b) Allders Remedy – CLP to refurbish and activate the frontage and parts of the ground floor of the former Allders building; market units within the building and provide activation including retail, events, arts, community or leisure uses over a period of three years. A planning application has been approved by CLP for the creation of five new ground floor shop units, two food and drink units and window display. CLP are also continuing to explore the potential for procuring a leisure operator to run a programme of events in the internal deep spaces at the rear of the unit. In addition to the remedy works, CLP has cleaned and restored the building facade and has started work to remove the canopy, which was a late addition.
- c) Safety, Security and Cleansing Remedy - a funding contribution from CLP towards an existing programme of initiatives using funding secured through 'Contained Outbreak Management Funding' to be undertaken within North End and its vicinity, aimed at the provision of a higher standard of cleansing, reducing crime and anti-social behaviour, to be run for a minimum period of two years. This has included directing funds towards the support of the Town Centre Tasking team which is providing a co-ordinated, targeted and swift weekly response to hotspots areas using a multi agency approach. This is helping to reduce encampments, fly tipping and working with individuals to address specific problem behaviour.
- d) Public Engagement Remedy - The provision by CLP of a capital contribution, works to and a lease for a term of up to three years of shop units to provide accommodation for an "Urban Room" designed to be a hub for engagement with all sections of the community about town centre regeneration and placemaking. The Urban room opened in May 2024 with regular events held by a range of partners in the space. To date, this has surpassed expectations with visitor numbers increasing month on month, with a huge amount of data collected from residents detailing their experiences, hopes and desires for a rejuvenated town centre. The Urban Room has played a central role in the engagement of the Town Centre Regeneration Strategy and Local Plan and enquiries have been received from a number of London Boroughs interested in understanding how the space operates.
- e) Connectivity Remedy - a contribution by CLP towards the costs of design and construction of a surface level crossing across Wellesley Road on the alignment of Landsdown Road. This project provides match funding for the Reconnected Croydon project and is anticipated on site in Autumn 2025. It would facilitate the closure of the subway, which would remove a hotspot that requires significant resource to manage. The delivery of this new crossing will be a key component of the long-held plan for an east west town centre route across the town centre.

f) Masterplanning Remedy – CLP to prepare and submit a “masterplan framework” to the local planning authority in respect of the substantial redevelopment of (as a minimum) the area of land edged in green on the plan at Appendix C to this report. The target date for the submission of the masterplan framework is by December 2024. Thereafter, CLP is to submit a planning application for substantial redevelopment for a mix of uses in respect of at least 3.6 hectares of land within the area shown edged green on the plan at Appendix C to this report. The target date for submission is between June 2025 to December 2025, if not sooner.

4.24 Further details of the revised remedies package are set out in the Part B report.

4.25 Officers consider that this package of measures will better address the immediate impact of the non-delivery of the 2014/2018 proposals than those provided for in the existing ILTA provisions, whilst paving the way towards a longer-term approach to securing the revitalisation of the town centre.

4.26 It is intended that the revised remedies would be delivered in collaboration with CLP. A “Remedy Board” is to be established, chaired by the Corporate Director of Sustainable Communities, Regeneration and Economic Recovery, with the participation of CLP representatives and other Council officers. The purpose of the board would be to monitor the implementation of remedies, aid collaboration and discuss and resolve any issues that may arise. Major decisions would be taken by the Corporate Director having taken account of the views of the Remedy Board. Any dispute would be referred to a dispute resolution provisions in the ILTA.

4.27 The delegation sought in recommendation 2.2 is intended to encompass the Corporate Director’s role in relation to the remedies as well as other decisions which the Council may be required to take under the terms of the revised ILTA. Any decisions involving procurement, however, will follow governance processed under the Council's Tenders and Contracts Regulations.

Proposed conditional land sale agreement

4.28 Subject to the satisfaction of conditions, the existing ILTA provided for CLP to call for certain Council owned land within the ILTA development site to be transferred to it to enable the redevelopment to proceed. Those conditions were not satisfied and have now fallen away. However, in order to support the redevelopment of the whole Whitgift Centre and surrounding land and implement any planning permissions which are obtained by CLP in the future it would wish to acquire certain land from the Council. CLP will also require a revised scope of ground anchor licences to accommodate future planning permission (these provisions may instead, be incorporated in the ILTA referred to above). The parties are in the course of negotiating terms for a conditional land sale agreement (“CLSA”) but those negotiations are not yet complete. As such, delegated authority is sought for officers to complete the negotiations and enter into an agreement, which includes satisfactory terms and protections for the Council. Further information in relation to the proposed terms and current position are set out in the Part B report.

- 4.29 The land concerned comprises the Council's:
- a) freehold interest in the Alders Car Park;
 - b) leasehold interest in the Whitgift Car Park;
 - c) freehold interest in the subsoil of a small area of land in Poplar Walk; and
 - d) freehold interest in the subsoil of part of Dingwall Avenue.
- 4.30 The Council's interests in both car parks are subject to leases in favour of WLP (CLP's "property arm"). The proposed conditions of any transfer to CLP pursuant to the proposed CLSA include the need to obtain the landlord's consent in respect of the Whitgift Car Park.
- 4.31 The remaining conditions proposed for transfer of each of the properties include:
- a) an application for planning permission having been submitted by CLP for a development scheme in respect of at least 3.6 hectares of land within an identified area in the southern section of the overall site
 - b) the grant of planning permission for a development scheme which includes all or a substantial part of the property concerned;
 - c) obtaining stopping up orders and other statutory approvals and consents and third party consents and other land interests needed to implement the development scheme;
 - d) confirmation and evidence that CLP intends to commence the development scheme;
 - e) Best consideration as set out under Section 123 of the Local Government Act 1972.
- 4.32 The CLSA will include a completion longstop date for the land transfers of 12 years.
- 4.33 The Council must ensure that it obtains best consideration for the disposal of land under the CLSA and, in this instance, the Council would be disposing of land to a 'special purchaser'. An independent valuation from Deloitte will inform the value of the disposals to ensure the Council obtains best consideration.

5 ALTERNATIVE OPTIONS CONSIDERED

- 5.1 Do nothing – the Council could forego any remedy under the ILTA and keep the agreements as currently drafted. However, this will not only be unjust to the Council but would not help to facilitate the regeneration of the town centre
- 5.2 Enforce the remedy under the current ILTA – for the reasons set out in this report, this is not considered to be the best option as the proposed revised ILTA will facilitate a wider scope of town centre regeneration in a collaborative way without the need for potential litigation.

6 CONSULTATION

- 6.1 Although there is no public consultation requirement in relation to the ILTA, as this is a contract between the Council and CLP, public consultation will take place as part of

CLP's masterplan and, as necessary, on projects included within the remedies. With the lapsing of the previous planning consents and the need for a new approach to the redevelopment of the Whitgift Centre and regeneration of the town centre, it is recognised that consultation would be beneficial in informing the new vision for the town centre. To facilitate this the Urban Room would be the focal point for a range of engagement activities with the public and partners.

7 CONTRIBUTION TO THE EXECUTIVE MAYOR'S BUSINESS PLAN

7.1 The proposals in this report contribute to the achievement of the following Executive Mayor's priorities:

Outcome 2: A place of opportunity,

We will support the regeneration of our town and district centres, deliver a vibrant London Borough of Culture and convene partners, developers, investors and Croydon's diverse communities to create economic opportunity for all and enable residents to develop the skills needed to access it.

8 IMPLICATIONS

8.1 FINANCIAL IMPLICATIONS

8.1.1 Recommendation 2.1(a) is to allow the change of guarantor of the ILTA. This is required due to the underlying changes in the developer's company structure. The new guarantor, URTH, has sufficient net assets to more than cover the liabilities that might arise to the Council as a result of the Whitgift development. Council officers have reviewed the accounts in person, and arrangements are being set up so that the council receives assurances each year from URTH that the company's position has not deteriorated below a threshold commensurate with potential liability faced by the Council.

8.1.2 There is some level of risk associated with the reliance on a guarantor that is a parent company and not domiciled in the UK, and their confidentiality requirements. To meet any liabilities required of it, the parent would be required to draw cash from its subsidiary companies and transfer it to the Council. However, the council is protected by funds set aside in an escrow account for the Council to draw upon to meet liabilities.

8.1.3 Both the Council and URTH have strategic aims of ensuring the successful development of the Whitgift site, and the risks of URTH as guarantor are therefore more around the operational aspects of URTH meeting potential liabilities of the council, rather than their ability to do so.

8.1.4 Recommendation 2.1(b) is to amend the remedy provisions, which will ensure the available funds achieves best value for the Council and residents.

- 8.1.5** Recommendation 2.2 will need to demonstrate best consideration for any land disposed of. As this is still subject to negotiation, this determination will need to be part of any delegated decision made.
- 8.1.6** Recommendation 2.3 enables the delivery of remedies which are funded by the developer in a way to ensure maximum benefit for residents.
- 8.1.7** Further financial commentary is included in Part B of this report.
- 8.1.8** Comments approved by the Head of Strategic Finance – Chief Accountant on behalf of the Director of Finance. (Date 28/08/2024)

8.2 LEGAL IMPLICATIONS

- 8.2.1** The Council has the power to proceed with the recommendations in this report under the general power of competence (Localism Act 2011), which gives local authorities the power to do anything that individuals generally may do, and under other statutory powers.
- 8.2.2** The Council has an existing contractual relationship with CLP under the current ILTA, as explained in this report, and issued a remedy notice in accordance with the ILTA. The recommendations in this report seek approval to amend the current ILTA to cover the proposed settlement of the remedy.
- 8.2.3** In relation to the replacement guarantor, the proposed guarantor is an overseas company. In line with standard practice, the Council will obtain a legal opinion letter from lawyers in the relevant overseas jurisdiction regarding the corporation's status, powers and the enforceability of judgments.
- 8.2.4** In relation to the proposed conditional land sale agreement relating to the four parcels of land detailed in paragraph 4.28-4.33, this will involve disposal for which the Council must obtain "best consideration" in accordance with section 123(2) of the Local Government Act 1972 unless the consent of the Secretary of State is obtained. The proposal is to dispose of land to a special purchaser (i.e. CLP) and not on the open market. The Council has obtained an independent valuation from Deloitte, which is to be followed to ensure that the Council obtains best consideration.
- 8.2.5** Further legal comments are contained in the Part B report.
- 8.2.6** Comments approved by Kiri Bailey, gthe Head of Commercial, Housing & Litigation Law on behalf of the Director of Legal Services and Monitoring Officer. (Date 06/09/2024)

8.3 EQUALITIES IMPLICATIONS

- 8.3.1** The Council has a statutory duty to comply with the provisions set out in Section 149, Equality Act 2010. The Council must therefore have due regard to:
- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act.

(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it

(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The protected characteristics defined by law are race and ethnicity, disability, sex, gender reassignment, age, sexual orientation, pregnancy and maternity, religion or belief, marriage and civil partnership.

8.3.2 There are no negative equalities impacts in this report, which focuses on options arising from the ILTA contractual arrangement between the Council and CLP. However, should the projects in the remedies be pursued, or the Council be in receipt of the ILTA remedy payment and pursue projects, each individual project will be, as necessary, subject to its own Equalities Assessment.

8.3.3 Insert at the end of the Equalities section: Comments approved by Ken Orlukwu, Senior Equalities Officer, on behalf of Helen Reeves, Head of Strategy & Policy on 04/09/2024.

9 APPENDICES

Appendix A – Plan X Minimum Masterplan Framework Area

Appendix B - Plan Y Maximum zone for substantial planning application min 3.6 hectares

Appendix C – Equalities Impact Assessment

10 BACKGROUND DOCUMENTS

Cabinet Report 31st January 2024 Croydon Town Centre Regeneration Programme and Growth Zone annual budget and programme - 2024/25

Cabinet Report 25th January 2023 Whitgift Indemnity and Land Transfer Agreement (ILTA) Remedy

16th August 2021 Cabinet Report Post Covid Vision for the Town Centre

11th June 2018 Cabinet Report: Delivering the Whitgift Redevelopment – Proposed revisions to the CPO Indemnity and Land Transfer Agreement & Preconditions to Drawdown of Land

Cabinet Report 7 April 2014 – Agenda item 6 - Whitgift Centre and surrounding land Proposed compulsory purchase order (including Equality Analysis Appendix F)

Cabinet Report 15 September 2014 - Agenda item 7 - Strategic Metropolitan Centre – Update