CITY OF PLYMOUTH

Subject: Compulsory Purchase Order Resolution for

the Regeneration of North Prospect

Committee: Cabinet

Date: 16 November 2010

Cabinet Member: Councillor Fry

CMT Member: Director for Development and Regeneration

Author: Stuart Palmer, Assistant Director, Strategic

Housing

Contact: Tel: 01752 306716

e-mail: stuart.palmer@plymouth.gov.uk

Ref: Hsg/SP/DEV

Key Decision: Yes

Part:

Executive Summary:

This report seeks approval to make Compulsory Purchase Orders (CPO), in the future, if necessary, as part of the first phase of the North Prospect Regeneration project. It relates to those parts of the estate which are to be demolished, to ensure that the land ownership is unified and to enable clear title to be provided to Plymouth Community Homes. The circumstances in which we would be making a Compulsory Purchase Order would include the failure to buy a freehold or leasehold property by agreement, or the need to deal with covenants or secure other interests in the land. This action will only be taken where all other negotiated approaches fail. This request relates to the first sites identified in the Master Plan which includes demolition and rebuilding as the method of achieving regeneration and decent homes. These properties are within the estates transferred to Plymouth Community Homes as part of the Housing Stock Transfer on 20 November 2009. These are defined on the maps at annex 1 and particularly properties in:

- a. Woodhey Road (1 83[odds] & 2 56[evens])
- b. Ham Drive (26 & 28)
- c. Laurel Road (28 48[Evens])
- d. North Prospect Road (157 195[Odds] & 170 202[Evens])
- e. Foliot Road (46 84[Evens])
- f. North Prospect Primary School and Children's Centre site
- g. Electricity Sub-station, Cookworthy Road

Corporate Plan 2010-2013 as amended by the four new priorities for the City and Council:

North Prospect Regeneration contributes to a range of corporate priorities but most importantly supporting Council and city priorities; Delivering Growth and Reducing Inequality. Within the housing transfer Plymouth Community Homes are committed to develop a master plan and work towards a solution to deliver decent homes across its housing stock.

Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land

Provision has been made within the Housing Stock Transfer Agreement for Plymouth Community Homes to meet the costs of acquisition and associated home loss compensation, disturbance and legal costs.

Other Implications: e.g. Section 17 Community Safety, Health and Safety, Risk Management, Equalities Impact Assessment, etc.

Project and risk management form part of the Programme Board arrangements between Plymouth City Council, Plymouth Community Homes, and the Homes and Communities Agency.

Recommendations & Reasons for recommended action:

It is recommended that the Cabinet:

make a Compulsory Purchase Order resolution (in the event that they are required) for properties within North Prospect defined as:

- h. Woodhey Road (1 83[odds] & 2 56[evens])
- i. Ham Drive (26 & 28)
- j. Laurel Road (28 48[Evens])
- k. North Prospect Road (157 195[Odds] & 170 202[Evens])
- I. Foliot Road (46 84[Evens])
- m. North Prospect Primary School and Children's Centre site
- n. Electricity Sub-station, Cookworthy Road

As follows:

Resolved that, the Council make a Compulsory Purchase Order pursuant to S17 of the HA 1985 in respect of the areas outlined in red on the plan submitted

The Cabinet specifically notes the considerations that arise under the Human Rights Act (1998) in respect of the proposed CPO and has had full regard to the rights of those that would be affected by the CPO but, for the reasons set out in this report, determines nevertheless to authorise CPO procedure.

Alternative options considered and reasons for recommended action:

There are no alternative options to be able to guarantee delivery of the regeneration of this area if an interest cannot be acquired. Although every effort will be made to acquire this by agreement, the only option without CPO, if agreement cannot be reached, would be to abandon the redevelopment.

Background papers:

- North Prospect Framework Agreement
- Housing Stock Transfer Agreement Nov 2009

Sign off:

Fin	DevF 1011 0026	Leg	RW 9865	HR		Corp Prop		IT		Strat Proc	
Originating SMT Member: Stuart Palmer											

1. <u>Introduction / Background</u>

- 1.1 The Cabinet meeting on 19 October 2009 followed by Council on 23 November 2009 agreed the Housing Stock Transfer, which included a joint agreement to proceed with the master plan of North Prospect Regeneration. A considerable amount of work has been undertaken to engage with residents, local agencies and representations to develop a plan for the regeneration. The first phase of works includes the most concentrated areas of demolition and rebuilding, and consequently the rehousing of residents from this area is underway.
- 1.2 To date, 10 owner occupier dwellings have been acquired and 17 owner occupiers have accepted PCH's offers by agreement, with the intention that a negotiated settlement will be made with the remaining owner occupiers. However; if this should not prove possible, we will need to seek to use Compulsory Purchase to ensure that the regeneration can continue.

2. <u>Proposals</u>

2.1 In order to ensure that land ownership can be unified for these sites, to be able to meet the redevelopment programme set out in the North Prospect framework document (attached). Legal Services have recommended that Compulsory Purchase Order resolutions are in place. As these dwellings have been transferred to PCH, the Council is required to carry out CPO, if needed, on their behalf.

This declaration would be for the housing in Phase 1 including all of Phase 1A and the 40 flats in Phase 1B, as indicated in Annex 1.

3. Justification for Using CPO Powers

Compulsory purchase is very much the last resort and it is hoped that the measures put in place to acquire by agreement will mean that no CPO has to be made in respect of the area for which this resolution is sought. However, this cannot be guaranteed and it is necessary to have Compulsory Purchase as a 'backstop' to ensure that this very important redevelopment moves forward. The following factors justify the use of CPO powers if property cannot be acquired by agreement:

- 1. There is considerable survey evidence that major redevelopment in North Prospect is required to the extent that rehabilitation work in the area of this request Phase 1 is not practicable.
- Resolving the housing conditions issues in North Prospect was a key requirement of transfer of Plymouth City Council's housing stock to Plymouth Community Homes to unlock the investment

- for the city-wide Decent Homes Programme.
- 3. North Prospect's regeneration is identified as an investment priority in the Local Investment Plan for Plymouth and has gained a funding commitment of up to £44m From the Homes and Communities Agency.
- 4. Rapid progress is being made toward delivery of Phase 1:
 - Agreement with Barratt Homes to develop
 - o Preparation and consultation on master-plan
 - Submission of planning application
 - Planned start on site in this financial year
- 5. A programme of relocation of current residents is underway. At the time of drafting this report 27 out of the 36 owned properties in phase have reached agreement with PCH for purchase by agreement and 37% of the tenanted properties are now vacant.

4. Consultation

- 4.1 All households in these blocks of housing scheduled for demolition and redevelopment have had detailed one-to-one interviews about the redevelopment programme and to gather information about both housing aspirations and their future housing needs. In addition, there has been much consultation in the area in the preparation of the Development Framework North Prospect, including a consultation programme over 4 days for residents in March 2010.
- 4.2 The action being sought at this stage is to provide authority to pursue CPO if it becomes necessary, and negotiations with individual leaseholders are unsuccessful. It is very much a last resort and extensive efforts will be made to reach agreement. This happens in the vast majority of cases, but it would be prudent to ensure that the Council is able to use CPO as a final resort. The resolution that is requested also provides comfort to the Council's development partners that every measure will be taken, if necessary, to achieve the redevelopment in this programme.

5. Legal Basis

These CPOs are to be made under the provisions of S17 of the Housing Act 1985 to provide a quantitative or qualitative increase in housing provision and will follow the justification of the November 2006 resolution for properties in a similar redevelopment programme in Devonport.

The Council is also fully aware of its responsibilities under Human Rights legislation arising from the European Convention of Human Rights and of the need to address the rights of the individual in any action considered. The resolution copied at 1.3 above sets out the considerations that will be made in regard to interfering with the rights of the individual.

6. Conclusion

To ensure that the Council can enable the ambitious redevelopment plans for North Prospect to go ahead as quickly as possible and for Plymouth Community Homes to fulfil its obligations under the Transfer Agreement, it is necessary to have the ability to use Compulsory Purchase should that be necessary. In making a resolution to be able to use these provisions under the 1985 Housing Act, the Council is ensuring that it is taking all necessary steps. The onus will remain on reaching agreement, with Orders only being made as a last resort. Ultimately, the redevelopment of this area will vastly improve the quality of housing for local people in the future and act as a catalyst for the multi-million pound regeneration activity in the North Prospect community

Annex 1

