

EXECUTIVE BOARD DECISION



REPORT OF: Executive Member for Growth and Development

LEAD OFFICERS: Director of Growth & Development

DATE: Thursday, 14 January 2021

PORTFOLIO(S) AFFECTED: Growth and Development

WARD/S AFFECTED: Blackburn Central; Mill Hill and Moorgate;

KEY DECISION: Y

SUBJECT:

Compulsory Purchase in the Griffin Regeneration Area

1. EXECUTIVE SUMMARY

To seek approval to initiate compulsory purchase action under s226 of the Town and Country Planning Act 1990 in respect of the remaining privately owned properties situated within the Griffin Regeneration Area that it has not been possible to purchase by agreement.

2. RECOMMENDATIONS

That the Executive Board:

Upon being satisfied that:

- a) It would contribute to the economic, social and environmental well-being of the borough;
- b) There is a compelling case in the public interest as the interference with Human Rights involved is proportionate in the interests of land assembly for housing development;
- c) Sufficient funds exist for carrying the resolution into effect;
- d) No impediments exist to the implementation of the scheme to assemble the land for housing development (subject to the making of the order) and there is a reasonable prospect of its implementation, should the order be made;
- e) The whole of the legal estates to the affected properties could not be acquired by agreement.

- 2.1 Authorise the Director of Growth and Development, in conjunction with the Director of HR, Legal and Governance to prepare and make a Compulsory Purchase Order (CPO) under section 226 of the Town and Country Planning Act 1990 and the Acquisition of Land Act 1981, for the purpose of land assembly to carry out housing development on the land.
- 2.2 Authorise the Director of Growth and Development to negotiate terms for the acquisition by agreement of any outstanding interests in the land within the Order prior to its confirmation.
- 2.3 Authorise the Director of HR, Legal and Governance (in the event that the Secretary of State notifies the Council that it has been given the power to confirm the Order) to confirm the order if he is satisfied that it is appropriate to do so.

- 2.4 Authorise the Director of Growth and Development to approve agreements with the landowner setting out the terms of withdrawal of objections to the Order (including the power to defer implementation post confirmation). In consultation with the Director of HR, Legal and Governance to make deletions from and/or minor amendments and modifications to the proposed Order and Order plans.

3. BACKGROUND

- 3.1 A neighbourhood assessment of the Griffin regeneration area was undertaken during 2008. The assessment identified 165 properties of very poor quality for purchase and clearance. The Council subsequently embarked on a programme to purchase properties for clearance and site assembly. A Supplementary Planning Document (SPD) for Griffin was developed in July 2011 to help inform the redevelopment of the area once all properties had been cleared.
- 3.2 To date, the Council have purchased 163 properties by agreement and, on numerous occasions has attempted to enter into negotiations with owners of the remaining properties at 24, 26 Hardman Street and the car repair workshop adjoining 26 Hardman Street, Blackburn, (the remaining properties) without success. The site will consist of the 163 properties already acquired and the remaining properties
- 3.3 In order to ensure that the required land assembly is completed within the required time, the Council considers having exhausted all other options and as a last resort, to now make a compulsory purchase order under section 226 of the Town and Country Planning Act 1990 to acquire the remaining properties. This will enable land assembly for the provision of housing development on the whole development site.
- 3.4 The Griffin Supplementary Planning Document (updated 2017), which was developed following extensive public consultation with local residents, stakeholders and ward members identified a need for good quality family homes containing 2, 3 and 4 bedrooms in the neighbourhood.
- 3.5 Extensive site surveys and assessments have been undertaken on the site to create market confidence and create viability for potential developers. The Council also acquired the Griffin public house for demolition, with the site included in development proposals to allow a better frontage for the new scheme onto Bank Top/Redlam.
- 3.6 The Council also successfully secured grant funding from the One Public Estate Land Release Fund to support site remediation and enabling works to aid financial viability and prepare the site for development.
- 3.7 During August 2018 Executive Approval was secured to appoint a preferred developer following a tender exercise through the Council's 'Contractor and Developer Framework'. Seddon Partnerships was appointed to develop the site in two phases.
- 3.8 Phase 1 to provide 56 new affordable homes on the Hancock St and Stansfeld St parcel of land. Plans to build a further 85 homes in Phase 2, land around Coleridge and East St, are currently being prepared for planning submission in spring.

4. KEY ISSUES & RISKS

- 4.1 The site assembly required for the phase 2 development requires the acquisition and demolition of the properties at 24, 26 Hardman Street and the car repair workshop adjoining 26 Hardman Street, Blackburn.
- 4.2 Phase 2 contains the three properties to be included in the CPO and redevelopment of this site is critical to providing much needed new homes and completing the regeneration of the Griffin clearance area.
- 4.3 Engagement with the owners of the properties, including attempts to acquire the properties by agreement, have been exhausted and compulsory purchase action is now considered to be the only course of action left to the Council.
- 4.4 Failure to initiate / deliver the CPO will adversely affect the regeneration plans for the area. This is likely to undermine the comprehensive regeneration currently underway and leave residents feeling let down by the Council.
- 4.5 The Council's adopted Local Plan (2015) identified a need for around 9,500 new homes across the borough over a 15 year period. The Griffin area is an area of pre-war terraced properties densely packed in a number of streets. The existing homes offer little amenity space, no front or rear gardens and no off street parking. The houses are unable to meet the needs and aspirations of local residents who need larger family homes for 21st century living. All new homes will provide off street parking, front and back gardens and quality public realm for existing and new residents to enjoy.
- 4.6 Following on from land assembly and securing planning permission for the first phase of the development. The Council has carried out an appropriation of the cleared lands under Section 122 of the Local Government Act 1972 to enable housing development (Delegated Authority report dated August 2020). The Council also served the necessary open space notices relating to the open space land under the LGA 1972 section 123(1)2A (Delegated Authority report dated August 2020). No representations were made under either notice.
- 4.7 Not being able to include the properties on Hardman St into the redevelopment proposals will also affect the overall scheme viability for the whole site. This may result in Seddon Partnership losing income/suffering loss which they may look to the Council for redress. The Council believes the remaining properties are crucial to the site and are required by the preferred developer. The Council would not have been in a position to successfully market and redevelop the site as a whole without the remaining properties.
- 4.8 The Griffin regeneration proposals funded by the Housing Market Renewal Funding programme had certain outcomes that needed to be delivered. The redevelopment of the cleared sites and provision of new homes was one of the key required outcomes. Failure to include the remaining properties as part of the redevelopment may result in Government seeking to clawback funding provide to the Council under the HMR programme and subsequent Transitional Grant Funding.
- 4.9 The Council has already purchased numbers 18, 20 and 22 Hardman St by agreement and failure to complete the demolition and redevelopment of this terrace may result in Crichel Down Rules being applied. Crichel Down Rules would involve the Council having to go to considerable expenditure to refurbish the properties (to a decent homes standard) to make them habitable and offer them for resale to the original owners. If the original owners decided against the purchase, the Council would have to offer them for open market sale.
- 4.10 The Council has earmarked adequate funds to carry out the CPO action and purchase the remaining properties. No new funding is required.

4.11 To summarise the Council has a developer on board to deliver the scheme, the developer will seek planning permission in Spring 2021, and funding is already in place.

5. POLICY IMPLICATIONS

- 5.1 The proposed residential developments will support delivery of new homes in line with the Local Plan, the Council's 2030 Vision and the Council's Corporate Plan.
- 5.2 The Council's Consultation Draft Local Plan suggests a minimum target range of between 358-411 dwellings per annum to be delivered over the Plan period (2018-2037). This is the economic scenario identified in the Housing & Economic Need Assessment (HENA 2019). The site is allocated for housing development in the current Local Plan, and is proposed for allocation in the new Local Plan currently in preparation and is an integral part of the Council's 5 year housing supply 2020 - 2025

6. FINANCIAL IMPLICATIONS

- 6.1 The Council's Growth Capital Programme has adequate funds available to pay for acquisition of the remaining properties in the Griffin clearance area. No additional funding is required.
- 6.2 Funding is also available to carry out the CPO action if acquisition by agreement is unsuccessful.
- 6.3 Homes England may exercise a 'Clawback' on funding provided if the project is not fully delivered
- 6.4 The Council may be required to spend additional monies to refurbish the properties already bought on Hardman St if Crichel Down is applied.

7. LEGAL IMPLICATIONS

- 7.1 Under the provisions of section 226 of the Town and Country Planning Act 1990, the local authority may acquire any land in their area if the authority think that the acquisition will facilitate the carrying out of development, re-development or improvement on or in relation to the land.
- 7.2 The Council also needs to consider the Guidance on Compulsory Purchase Process and the Crichel Down Rules published by the Ministry of Housing Communities & Local Government.
- 7.3 Legal challenges to compulsory purchase are always a possibility and can lead to a Public Local Inquiry, which would incur additional costs for the Council. A CPO on these 2 properties plus the car repair workshop is likely to have a very limited number of potential statutory objectors, although in this case the registered owners are known. The owners will be served with the relevant statutory notices in accordance with the Acquisition of land Act 1981.
- 7.4 The making of a CPO does not prevent negotiations with any person holding an interest in land affected by the CPO as these negotiations can proceed in parallel with the statutory process. Indeed, it is advised that where possible, negotiations can continue throughout the process even up to confirmation of the Order

8. RESOURCE IMPLICATIONS

- 8.1 Resources required for the making of the CPO will come from the Legal Department, which will increase if the CPO action results in a Public Local Inquiry.
- 8.2 Some support will be required from the property services team and Capita Symonds to carry out Valuations of the properties concerned.

9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below.

Option 1 Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2 In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision.

Option 3 In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision.

10. CONSULTATIONS

Extensive stakeholder consultations have been undertaken during the course of developing a Supplementary Planning Document for the Griffin area. Further consultations will be undertaken in line with statutory requirements during the Planning process for the development and the making of the compulsory purchase order.

Previous consultation has also been undertaken in the development of the Council's Local Plan and Strategic Housing Market Assessment (SHMA)

11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded in the Summary of Decisions published on the day following the meeting.

CONTACT OFFICER:	Subhan Ali, , subhan.ali@blackburn.gov.uk
DATE:	
BACKGROUND PAPER:	Local Plan Part 1, Griffin Supplementary Planning Document (2017) Griffin Housing Development Strategy (EBD Report December 2017) Griffin Development Site Tender (EBD Report August 2018) Griffin Housing Site Appropriation (EMD Report October 2019)