# Appendix 2

### **Southampton City Council** (Cumbrian Way and Helvellyn Road) Compulsory Purchase Order 2010

#### STATEMENT OF REASONS

The Order is made under Section 226 (1) (a) of the Town and County Planning Act 1990 in respect of the acquisition of land:

#### 1.0 Description of the Land, Location and Present Use

The Order covers the local shopping parade and residential maisonettes, the Local Housing Office and car park situated at Cumbrian Way being an area of approximately 0.83 hectares (2.05 acres) edged red and numbered 1 on the attached map.

The freehold of land which is subject of this CPO is owned by the Council and the Council housing and shopping parade is now largely vacant pending redevelopment.

#### Cumbrian Way Shopping Parade

The buildings on site are laid out as 8 shop units and 10 flats/ maisonettes together with garages, sheds, service and open areas. The majority are vacant.

The Order provides for the acquisition of : 1 garage within Hellvyn Road; 1 residential property held on 125 year lease within Cumbrian Way; 4 commercial leasehold premises within Cumbrian Way. The Authority owns the freehold of the land on which all these premises are situated but the properties are subject to occupations granted by Lease or Tenancy Agreements. Full details of the properties to be acquired appear in the Schedule to the Order but in summary comprise:-

All interests except those already owned by the acquiring authority in the garage held under a periodic tenancies of

#### 57 Cumbrian Way

All interests except those already owned by the acquiring authority in Leasehold premises at 47 Cumbrian Way held on a lease from 1<sup>st</sup> January 1986 for a term of 125 years

All interests except those already owned by the acquiring authority in the following commercial properties:

57 Cumbrian Way61 Cumbrian Way63 Cumbrian Way65 Cumbrian Way

The area is characterised by residential development with a parade of shops serving the needs of local residents.

#### 2.0 The Purpose of the Authority

The purpose of the Authority in making the Order is to assist in achieving the key Government housing policy goal of ensuring that everyone has the opportunity of living in a decent home, which they can afford, in a community where they want to live. Local planning authorities are advised to help achieve this by reusing land that has previously been developed and which is underused. The authority seeks to acquire the order land to redevelop the land as described in Section 3 below thereby regenerating the area and delivering a mixed use scheme of housing, retail and community facilities which will create a distinctive character to the area relating well to its surroundings and will support a sense of local pride and civic identity. The council is satisfied that the scheme will improve the social, economic and environmental well being of the Millbrook area.

**Southampton City Councils Housing Strategy** has been developed to deliver the Government's housing goals and has the following key objectives which the Cumbrian Way Shopping Parade Redevelopment will help to deliver:

• To build more affordable homes, with a target of 2000 by 2012.

- To bring decent housing within the reach of people on lower incomes.
- To improve the quality of new housing and of existing stock

On the 11<sup>th</sup> April 2011 Cabinet of the Authority resolved to authorise the making of a Compulsory Purchase order to acquire the Order land.

### 3.0 Proposals for the Land

The project is phase 2 in a series of estate renewal initiatives planned for Southampton known as the Cumbrian Way Shopping Parade regeneration. It comprises the redevelopment of a local shopping centre and associated housing and land to provide a renewed local centre and new homes. The boundaries of the redevelopment are shown on the plan attached to this statement and marked Cumbrian Redevelopment Plan.

The project will see 50 dwellings built on the site, 68% for affordable housing and 32% for private sale. There will be 2 retail units to meet the contemporary needs of the community.

The Millbrook area is a part of the City with high levels of deprivation and lies on the north – west side of the City. The Millbrook Ward has the  $5^{th}$  highest unemployment rate in the city and is ranked  $10^{th}$  highest for welfare benefit claimants.

This shopping parade is in the heart of the community and the associated housing forms a local centre for the immediate neighbourhood but the existing buildings are in poor condition and the shopping parade has a design which is not to contemporary standards in terms of designing out crime and antisocial behaviour which have been a continuing issue at this location. Consultation with local residents has shown support for comprehensive redevelopment to deliver improved local facilities and housing to meet the needs of local people.

Consultation with the local community has played a major part in the redevelopment to date and will continue to do so. The consultation process started in June 2009 with over 138 residents filling in questionnaires and telling the council their ideas for the parades future. There was significant support for comprehensive redevelopment. An independent facilitator Solent Centre of Architecture and Design ran a design festival and feedback session in summer 2009 which informed the Development Brief for the scheme which was used in the procurement process.

In August/September 2010 the four designs shortlisted in the procurement process were shown to the community for comment and again nearly 45 people gave their opinions. The community is kept up to date with the project by newsletters and press releases.

There was good developer interest at the procurement stage with 12 initial proposals. Six bidders were invited to submit tenders, one bidder later withdrew from the process prior to bid submission and another bidder decided not to bid on the Cumbrian Way site. Following evaluation of the four bids received for this site and further community consultation on the submissions, some bids were conditional on being awarded other Phase 2 Estate sites and one bid was later withdrawn. Taking this into account the remaining tenders scored poorly on evaluation particularly in terms of design and did not meet the communities or the council's aspirations for the site. Cabinet on 22<sup>nd</sup> November 2010 did not award a contract for this site and resolved to pursue alternative procurement options to enable this site to be redeveloped in a timely manner.

The Council is pursuing an offer for the site under a land disposal, subject to planning permission only. Whilst a detailed planning application has not yet been submitted, (it is expected to be submitted in May/June 2011), the Council considers that it is expedient to acquire the remaining ownership of the Order land in order to dispose of it to ensure that an appropriate redevelopment comes forward in a timely manner and, having regard to the provisions of the Development Plan, planning permission should be forthcoming provided the application accords with the above policies.

# 4.0 Justification for CPO

The freehold of the land edged red on map 1 is required for the implementation of the scheme is already owned by the Council, but the implementation of the scheme requires the acquisition of outstanding leases as set out in Section 1. The Council has entered into discussions and negotiations with the holders of these land interests for their acquisition by agreement and will continue these negotiations.

Single ownership is required to enable redevelopment to proceed. Compulsory purchase will enable the prospective developer to proceed with the redevelopment at an early date by providing certainty for programming and will enable the Council to achieve its

objectives in a timely manner. Nevertheless the Council has attempted and will continue to attempt to purchase the order land by agreement the individual leaseholder has been offered compensation in accordance with the Land Compensation Act 1973 and the Planning Compensation Act 1991. The services of an independent Chartered Surveyor have been offered by the Council for the leaseholders to ensure the purchase price offered is fair and reasonable. Housing advice has been offered to the residential leaseholder to advise of the various housing options.

The commercial tenants have been offered first refusal within the new development but these will be owned by the developer and commercial rents will be applicable. The commercial tenants not planning to trade in the new development have been supported to find alternative premises and disturbance costs have been met by the council or they have been offered adequate compensation to close their business.

The Council is satisfied that the Order is necessary and in the public interest and that the Order Land is suitable and required in order to meet the pressing need for the Scheme, as described in Section 2.

The Council considers that Section 226 (1)(a) of the Act is the most appropriate power for compulsory acquisition of the Order land as it is a power of compulsory acquisition to be used where the Order making authority thinks that the acquisition of the land will facilitate the carrying out of redevelopment or the improvement on or in relation to the order land. In considering whether or not to acquire land under this section the Order making authority can only do so if they consider that the redevelopment or improvement is likely to contribute to the achievement of one or more of the objectives in section 226 (1) (a) of the Act. The Order making authority considers that the acquisition of the Order land will improve the social, economic and environmental well being of the Millbrook area.

Mindful that it should not use a more general compulsory purchase power when a more specific one is available, the council consider that the section 226(1) (a) power is the most appropriate one.

The Council has considered whether the powers it seeks to exercise are compatible with the European Convention on Human rights, in particular Article 1 of the First Protocol of the Convention. It has concluded that there is a compelling case in the public interest for the acquisition of the land, as this will bring benefits to residents and businesses in the Millbrook area of Southampton that could not be achieved by agreement, and this outweighs the loss that will be suffered by the existing land owners. This compulsory purchase order follows existing legislative provisions in respect of the making and confirming of CPOs and the payment of compensation and, as such, the Council considers these to be compatible with the Convention.

### 5.0 Planning Position

### **Government Policies**

The proposed redevelopment is fully in accordance with relevant planning policies set out below.

National planning policy advises Local planning authorities to make effective use of land by reusing land that has previously been developed and to consider the scope for effective site assembly using their compulsory purchase powers, to ensure that suitable sites are brought forward for development, including sites that are underutilised, which could be redeveloped for mixed-use development.

Paragraph 26 (PPS3) which states that local planning authorities (LPAs) should plan for the full range of market housing. In particular, they should take account of the need to deliver low-cost market housing as part of the housing mix.

Paragraph 20 (PPS3) – Key characteristics of a mixed community are a variety of housing, particularly in terms of tenure and price and mix of different households.

The proposal for comprehensive redevelopment of failing local centres reflect guidance in PPS6 which states that a wider range of services should be considered by the local authority where local centres are in decline.

There are no other relevant policy statements applicable to the Order

The Development Plan for the city comprises the policies of the Regional Spatial Strategy (South East Plan) which is likely to be revoked by the Communities and Local Government Act when made and the Local Development Framework Core Strategy Development Plan Document which was adopted in January 2010 and some preserved policies of the Southampton Local Plan Review.

The City Council's Local Development Framework Core Strategy contains the following relevant policies:

CS 3 (town, district, and local centres, Community Hubs and community facilities) - in order for centres to remain vital and viable, CS3 promotes a mix of shops appropriate to the centre and community facilities. Development is to improve the centre's attractiveness and its connectivity to surrounding neighbourhoods. CS3 also seeks to protect local centres. The proposals for comprehensive redevelopment of failing local centres reflect guidance in PPS6 Para 2.8 which states that a wider range of services should be considered by the local authority where local centres are in decline.

Policy CS 4 (housing delivery) - requires an additional 16,300 homes to be provided within the City of Southampton between 2006 and 2026. The Secretary of States letter attempting to abolish the RSS confirmed that the evidence underlying the preparation of this figure remained valid and therefore the target of 16,300 homes remains within the development plan

Policy CS 13 (fundamentals of design) - requires redevelopment proposals to meet the robust design process which should be analysis-based, context driven and innovative.

Policy CS 15 (affordable housing) - requires the provision of 35% affordable housing.

Policy CS 16 (housing mix and type) - requires redevelopment proposals for the site to include at least 30% of new dwellings as family homes with a threshold of 15 dwellings (larger units with appropriate sized gardens or private amenity space).

Policy CS 20 (tackling and adapting to climate change) – specifies the requirements that must be achieved in relation to the Code for Sustainable Homes for residential development and BREEAM for non-residential development.

Policy CS21 (protecting and enhancing open space) – to retain the quantity and improve the quality and accessibility of the City's diverse and multi-functional open spaces and help deliver new open space both within and beyond the City to meet the needs of all age groups. This can be delivered through replacing or re-configuring other open spaces in order to achieve wider community benefits such as improving the quality of open space, or providing a more even distribution across the City. For estate regeneration schemes, selected amenity open spaces with little recreational, landscape or nature conservation value may be converted to other uses a part of this wider programme.

Whilst a detailed planning application has not yet been submitted, (it is expected to be submitted in May/June 2011), the Council considers that it is expedient to acquire ownership of the Order land in order to dispose of it to ensure that an appropriate redevelopment comes forward in a timely manner and, having regard to the provisions of the Development Plan, planning permission should be forthcoming as the application accords with the above policies.

### 6.0 Government Planning Statements

The governments planning policy statement are set out in section 5. The government housing aims are set out in section 2 above. There are no other relevant policy statements applicable to the Order.

# 7.0 Special Considerations

There are no ancient monuments or listed buildings within the Order land. The Order land is not in a conservation area. There are no issues concerning special category land, consecrated land, renewal area, etc.

### 8.0 Known obstacles to the redevelopment

The freehold title is not subject to easements and restrictive covenants. The footpaths and roads are subject to rights of public way, rights of drainage and rights in respect of water, gas and electricity supply services. As the land is being acquired under planning act powers any subsequent redevelopment will be in accordance with a planning permission under part 3 of the Town and Country Planning Act 1990 will over ride any easements and restrictive covenants under section 237 of the 1990 Act.

The redevelopment is subject to the Agreement for Sale of the land between the Acquiring Authority and the prospective developer being entered into. It is anticipated that the agreement will be entered into by the end of May 2011.

The redevelopment will only be able to take place if the prospective developer secures full planning permission for redevelopment. The application is likely to be submitted in May/June 2011.

#### 9.0 Delivery

The Council has made huge steps towards enabling the redevelopment to happen, working closely with the local residents and community who are supportive of redevelopment and making available its land for the scheme at minimal return, together with relocating 80% of the residential tenants and the 37% of the commercial tenants.

There is a pressing need for the scheme to go ahead, many residents have already moved out of their homes to facilitate the scheme, and it will provide important construction activity during the downturn and a range of regeneration benefits in a deprived area of the City once complete.

The Homes and Communities Agency supports this project: it has been consulted with at every phase of the development and the procurement options to ensure the redevelopment of this site.

### 10.0 Views of Government Departments

The Homes and Communities Agency supports this project: it has been consulted with at every phase of the development.

### 11.0 Relocation proposal for business tenants

57 Cumbrian Way, the lease is to be surrendered and the service is being relocated to alternative premises.

59 Cumbrian Way the lease has been surrendered and the service relocated to alternative premises.

61 Cumbrian Way the lease is to be surrendered at the service is being relocated to alternative premises.

63 Cumbrian Way, the negotiations are continuing to relocate or extinguish this business. The Council are paying the costs for the leaseholder's solicitor who is negotiation on behalf of the tenant.

65 Cumbrian Way, the lease is to be surrendered and the service is being relocated to alternative premises.

67 Cumbrian Way this is now in the Council's ownership and has closed. A mobile library service is being provided whilst alternative premises are secured elsewhere in Millbrook.

69-71 Cumbrian Way this service was part extinguished (the Post Office) and part relocated (Grocery Store) to alternative premises in Irving Road, Millbrook.

Further information can be obtained from the Authorities agent :

Capita Symonds One Guildhall Square Southampton

#### 12.0 Related applications, Appeals, orders etc.

Other than mentioned previously there are no related planning applications. A stopping up order will be necessary to stop up the public footpaths and roads. A plan showing the public rights of way to be the subject of a separate stopping up order is annexed and marked stopping up plan.

#### 13.0 Documents, Maps or Plans for the Public Inquiry

If a public inquiry is convened, a list of documents etc will be provided in due course and arrangements will be made for them to be available for public inspection.