

<b>DECISION-MAKER:</b>	CABINET
<b>SUBJECT:</b>	ESTATE REGENERATION PROGRAMME – NEXT PHASE
<b>DATE OF DECISION:</b>	4 JULY 2011
<b>REPORT OF:</b>	CABINET MEMBER FOR HOUSING

#### **STATEMENT OF CONFIDENTIALITY**

Confidential Appendices 3 and 4 contains information deemed to be exempt from general publication by virtue of Category 3 of paragraph 10.4 of the Council's Access to Information Procedure Rules as contained in the Constitution.

The appendices include details of a proposed transaction which, if disclosed prior to entering into a contract, could put the Council at a commercial disadvantage in the future. In applying the public interest test it is not considered appropriate to make public offers made as this could lead to a revision of bids. Therefore, publication of this information could be to the Council's financial detriment.

#### **BRIEF SUMMARY**

Southampton City Council has embarked on a major estate regeneration programme which has an essential part in the wider commitment of delivering growth and tackling economic deprivation and social disadvantage on Southampton's Council estates

Estate Regeneration is also identified as a key component in delivering the City wide priority of sustained economic growth, contributing to the objective to deliver new homes and additional jobs.

This paper provides an update on progress with the programme and sets out proposals to expand the programme into the next phase.

#### **RECOMMENDATIONS:**

##### **Weston**

- (i) Approve in principle the redevelopment of a site at Weston, shown edged red at Appendix 1, comprising the three blocks listed below:
  - 1-20 Kingsclere Close, 1-7 Wallace Road, 70-80 Weston Lane (evens only)  
Comprising 20 flats and maisonettes, 10 commercial units including Weston Local Housing Office and Weston Library, garages, sheds, service yards and other open areas.
  - 1-32 Sombourne House, Weston Lane  
Comprising 32 flats and maisonettes, garages, sheds, service yards and other open areas.
  - 1-14 Ashton House, Kingsclere Avenue  
Comprising 14 flats and maisonettes, garages, sheds, service yards and other open areas.
- (ii) To approve the service of Initial Demolition Notices on secure tenants at the three estate regeneration sites listed in (i) above under the provisions of the Housing Act 1985.
- (iii) To implement the adopted Decant Policy in relation to the sites listed in (i).

- (iv) To delegate authority to the Head of Property and Procurement to negotiate and acquire by agreement any legal interests or rights held in respect of the properties listed in (i) above, not held by the Council, using such acquisition powers as the Head of Legal and Democratic Services advises. In each case subject to confirmation from Capita, acting as independent valuers, that the price represents the appropriate Market Value.
- (v) To amend the phasing of the expenditure in the HRA capital programme as set out below and to approve, for the purposes of Finance Procedure Rules, capital spending of £500,000 in 2011/12, £1,000,000 in 2012/13 and £454,000 in 2013/2014 on the Weston estate regeneration proposals in this report.
- (vi) To delegate authority to the Director for Economic Development in consultation with the Senior Manager for Finance to accept, in accordance with Finance Procedure Rules, any grant funding towards the costs of the redevelopment of the Weston estate regeneration site listed in (i) above.
- (vii) Approve the establishment of a project group in relation to the possible redevelopment of the site at Weston, with a remit to:-
  - a) continue consultation and dialogue with local residents and other stakeholders including those living in affected properties and with other interested parties; and
  - b) work with the local community and other potential partners to prepare a development brief.
- (viii) To delegate authority to the Director for Economic Development to finalise and approve the development brief following consultation with the Cabinet Member responsible, Head of Legal and Democratic Services, Senior Manager for Finance, Head of Planning and Sustainability, and Head of Property and Procurement.
- (ix) To delegate authority to the Director for Economic Development to approve the choice of procurement route which she considers to be most appropriate to seek a development partner following consultation with the Cabinet Member responsible, Head of Legal and Democratic Services, Senior Manager for Finance and Head of Property and Procurement, and to proceed with such procurement activity up to the stage of appointing a preferred bidder for which further authority from Cabinet will need to be obtained.
- (x) To report back to Cabinet the outcome of the procurement activity referred to in (ix) above as appropriate and seek further authority from Cabinet to proceed and appoint a preferred bidder based upon the results of that procurement activity.

### **Townhill Park**

To delegate authority to the Director for Economic Development, following consultation with the Cabinet Member responsible, to commence a programme of consultation and engagement with

residents and stakeholders at Townhill Park and to appoint consultants to prepare a Regeneration Framework document.

- (xi) To approve for the purposes of Finance Procedure Rules, capital spending of £200,000 in 2011/12, on the Regeneration Framework for Townhill Park and associated fees and costs, provision for which exists in the HRA capital programme.

#### **Property Acquisition**

- (xii) To delegate authority to Head of Property and Procurement following receipt of advice from Capita, to negotiate and acquire by agreement any legal interests or rights in the properties listed at Confidential Appendix 3 and 4 and not held by the Council using such acquisition powers as the Head of Legal and Democratic Services advises.
- (xiv) To delegate authority to the Head of Legal and Democratic Services to enter into any legal documentation necessary in respect of the purchase or acquisition of rights and to undertake any ancillary action in connection therewith.
- (xv) To hold any acquired properties in accordance with the acquisition powers pending future regeneration.
- (xvi) To reduce the uncommitted provision in the 2011/12 HRA capital programme for "Other site assembly costs" by the sum specified in Confidential Appendix 3 and to add a scheme to the 2011/12 HRA capital programme for the "Acquisition of properties" for the same value
- (xvii) To approve in accordance with Finance Procedure Rules, expenditure in 2011/2012 in the sum set out in the Confidential Appendix 3 for the acquisition of properties.

### **REASONS FOR REPORT RECOMMENDATIONS**

#### **Weston**

1. Regeneration is supported by the community.
2. Regeneration will address known maintenance issues.
3. Regeneration will provide the opportunity to tackle some of the socio economic challenges in the area.
4. Redevelopment provides the opportunity to deliver improved modern local facilities to meet the needs of residents. Redevelopment will provide a mixed tenure environment and good quality accommodation, together with significant improvements in the public and private realm on site, to ensure a cohesive and sustainable community.

#### **Townhill Park**

5. Producing an estate wide Regeneration Framework for Townhill Park will provide a strategic direction and overview for the long term future of the estate. This will enable co-ordinated and focused delivery.

6. Townhill Park is an area of the City with the greatest potential for housing gain, contributing to city wide priority of economic growth. It is therefore considered appropriate to adopt the strategic framework approach first on this estate.

#### **Property Acquisition**

7. In November 2008, Cabinet delegated authority to the Executive Director of Neighbourhoods following consultation with the Cabinet Member responsible, to commence a programme of consultation and engagement with residents and stakeholders on a series of sites in order to identify a programme of sites for redevelopment. This included Weston and the area subject to the property acquisition
8. The reasons for the acquisition are set out in the Confidential Appendix 3.

#### **ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

9. The updated Housing Strategy 2011-15 and Housing Revenue Account Business Plan 2011-2041 to be presented to Cabinet on 4<sup>th</sup> July 2011 (and Council on 13<sup>th</sup> July 2011) confirm estate regeneration as a key priority for the Council.
10. This report proposes the delivery of the next projects within a programme of Estate Regeneration. The option of doing nothing would not achieve the Council's objectives of creating successful communities on our estates.

#### **Weston**

11. The option of doing nothing would result in significant repairs and maintenance work being required. The cost to the Council of this is currently estimated at £2.25M, excluding any works required to the commercial units, which will be a significant additional cost. It is considered that the cost/benefits approach of regeneration outweigh the cost/benefits of continuous maintenance.
12. Furthermore, there has been considerable community consultation with local tenants and residents at Weston which has raised community hopes and expectations.

#### **Townhill Park**

13. The option of doing nothing would result in a lack of strategic direction for the future of the area and a lost opportunity to meet the Council's objectives of economic growth.

#### **Property Acquisition**

14. As outlined in the Confidential Appendix 3 and 4, the property being acquired is in a strategic position for regeneration. The current occupational terms are coming to an end, meaning acquisition at this time could be easier and more cost effective than at a later date. The option of doing nothing is therefore not considered to be appropriate.

## **DETAIL (Including consultation carried out)**

### **Core Principles of the Estate Regeneration Programme**

15. The Estate Regeneration Programme is a key component in delivering the City wide priority of sustained economic growth. The programme is also key to tackling economic deprivation and social disadvantage on Southampton's Council estates.
16. The objective of the estate regeneration programme is to create successful communities on our estates where people will want to live in the future. Communities will be comprised of people of different ages and backgrounds, where work is normal for all who are able to. Homes and public spaces will be designed to provide safe and secure environments and local people will take an active involvement in ensuring the success of the community.
17. The outline principles of the programme are :
  - Taking a comprehensive approach to renewal in order to transform neighbourhoods into places where people want to live for years to come.
  - Maximising the number of new homes, including family homes, as part of the re-development.
  - Promoting mixed communities made up of affordable and private homes.
  - Involving local people in developing and designing their community for the long term.
  - Providing shops and community facilities where needed and practicable.

### **Current Progress**

18. Phase 1 – Hinkler Parade, £16M - Pilot Project is now well underway, with the first homes in Phase 1 sold, first phase of affordable homes being allocated and shops in the process of being handed over to the new tenants.  
Phase 2 – 4 sites, £30-40M project - A preferred developer has been selected for 3 out of the 4 sites with planning applications due to be submitted, an alternative solution for remaining site is being developed.  
Local Authority New Build, £9M Project - The first phase sites are complete and occupied in March/ April 2011. The second phase is on schedule to complete March 2012.  
  
In total the current estates regeneration programme is set to deliver over 400 new homes, community facilities and retail units across 13 sites in the City. Links have been established to promote social and economic regeneration. For example on Hinkler Parade, over 25% of the workforce constructing the project are local people and this project will support new business start-ups.

### **Phase Three of Estate Regeneration**

#### **Weston – The Case for Regeneration**

19. Southampton City Council is the largest landlord in the South East of England with over 17,000 properties let to tenants and leaseholders. The

Housing Revenue Account Business Plan 2011-2041 'Investment in our Homes, Investment in our Neighbourhoods' provides a long term plan for managing and improving the Council's own housing stock to contribute to the overall progression of wider corporate and city-wide goals. Information has been compiled on the condition of the City's housing stock to plan and prioritise immediate programmes and the investment strategy in this plan.

20. As part of business planning process to manage Council housing assets some retail parades and associated blocks in the City such as in Weston, have been identified as requiring a more comprehensive estate regeneration approach.
21. In March 2010, a walkway collapsed at Kingsclere Close. The Council were found not to be at fault. Residents later submitted a petition in April 2010 to request the regeneration of the block. The poor condition of the roof at Somborne House has necessitated an emergency decant for properties along the top floor.
22. Detailed assessment has been made by the Decent Homes service of the condition of the property affected and surrounding homes, and an estimate of investment costs required in the blocks. Over the next 10 year period, this is estimated to be over £1.4M.
23. Further investment is also required to bring the properties at Somborne House to a suitable standard, beyond the costs outlined for the ten year period. These works include renewal of a collapsed drain, cavity wall insulation, demolition of the garages and re-surfacing of the car park and other refurbishment works which altogether, adds £813,000 to the costs outlined above. This would increase the projected costs from £1,437,788 to £2,250,788, excluding maintenance of the retail units, which will be an additional cost not yet estimated.

24.

Block	Cost	Year built	Number residential units	Units sold
1-20 Kingsclere Close	£338,162	1959	20	2
1-32 Somborne House	£833,058	1965	32	3
1-14 Ashton House	£266,568	1965	14	2
10 Year Period	£1,437,788*			
Additional works	£813,000*			
<b>TOTAL</b>	<b>£2,250,788*</b>			
* Excludes required maintenance of the retail units, which will be an additional cost, not yet estimated.				

25. The site includes ten commercial units, four of which operate as retail uses, five operate as community uses and services including the Library and local housing office and there is one vacant unit.

<b>Unit Name</b>	<b>Address</b>
Weston Wines & Grocery	7 Wallace Road
Library	6 Wallace Road
Parochial Church Council of the Ecclesiastical Parish of Holy Trinity Weston – trading as “Lighthouse” - Community Drop-In	5 Wallace Road
Pets Love Us - Pet Shop	4 Wallace Road
Chamberlayne College for the Arts - Neighbourhood Learning Centre	3 Wallace Road
Hampshire & Isle Of Wight Youth Options	2 Wallace Road
Co-Op Food Store	80 Weston Lane & 1 Wallace Road
Vacant	78 Weston Lane
Forbuoys	74-76 Weston Lane
Weston Local Housing Office	70-72 Weston Lane

26. Residents have advised as part of the consultation that they consider the commercial units do not provide the range of goods to meet their needs. Investment in the existing retail units to provide modern facilities would be an additional cost to the Council.
27. An outline principle of the estate regeneration programme is also to provide modern shops and community facilities where needed and practicable. The site is defined as a Local Centre in the Local Plan Review. Redevelopment of the site provides the opportunity to deliver a better designed development that maximises the footprint of the site and provides improved modern local facilities to meet the needs of residents.
28. Weston is an area which has some of the greatest levels of deprivation in the City. In the Indices of Deprivation (IMD) 2010, the lower super output area that includes most of the tower blocks at International Way, is the third most deprived in the City overall. Deprivation indicators which combine to form this high score include higher levels of unemployment, lower income levels and lower levels of education skills and training in comparison to other areas of the City. The area is considered to be isolated with a lack of accessibility to employment. Regeneration of this area will focus, not only on the physical regeneration but on tackling the wider socio economic issues in order to deliver real lasting change in the area.

29. Further collaborative work across Council departments will also continue to maximise potential construction related training and apprenticeship opportunities from any redevelopment.
30. Regeneration is supported by the local community and it is considered that the cost/benefits of regeneration outweigh the cost/benefits of continuous maintenance.

### **Townhill Park – The Case for Regeneration**

31. In 2009, Terence O'Rourke consultants were commissioned by the Council to identify capacity to accommodate renewal and housing growth across the Council's housing estates to 2026. Focusing on the city wide priority of sustained economic growth, and the Core Strategy target of delivering over 16,000 new homes; the capacity study recommended that to maximise housing growth through estate regeneration, the Council would need to focus on those sites which offered the most potential for housing gain (net increase on the existing properties). The Capacity Study identified Townhill Park as an area with the greatest potential for housing gain, with significant potential to grow in numbers of homes by 36.5%
32. Terence O'Rourke recommended that an estate wide vision and masterplan, referred to as a Regeneration Framework, is prepared in order to strategically link building homes with wider initiatives. This would include wide consultation on proposals for the area. This Regeneration Framework would assist the Council and its partners to strategically plan for appropriate change, rather than continue with small scale initiatives which generally have an impact only in their immediate vicinity.
33. The Capacity Study identified that, whilst the development potential at Townhill Park was the greatest, the actual number of residents displaced by the decanting process would be the least, when compared with other estates in the City with development potential. This would obviously be a significant benefit to residents on the estate, and mean the least amount of negative impact upon them.
34. Decanting at Townhill Park, as opposed to other estates, also has the potential to result in a significantly less impact on the Council's finances. An estate wide strategy would allow for phased decanting and disposals which should also enable later capital receipts to fund the Council's enabling costs.

### **Consultation – Estate Regeneration Programme**

35. Consultation has been undertaken with a range of bodies in the development of the estate regeneration programme. Nationally, this includes the Homes and Communities Agency and Sub Regionally, the Partnership for Urban South Hampshire (PUSH). The cross-party Estate Regeneration Stakeholder Group, on which the Federation of Southampton Tenants and Residents is represented and which includes trade union representation, is playing an important advisory role in the programme. They have been consulted on the proposals for Weston and Townhill Park in this report. Due to the confidential nature, the property acquisition has not been discussed.



### **Consultation – Weston**

36. Within the Council, consultation has involved a range of Council officers through the Estate Regeneration Renewal Group, Estate Regeneration Programme Board, the Estate Regeneration Stakeholder Group and more widely across the Council. Officers in Estate Regeneration have worked jointly with officers in Decent Homes to undertake initial cost benefit analysis on the Weston residential blocks. Some of the shop units at Weston accommodate existing Council services and there will an ongoing programme of consultation with staff as more detailed redevelopment plans are prepared.
37. As with Phase Two estate regeneration projects, an extensive programme of consultation has been adopted as regards to the site at Weston. This has included follow-up visits to Council tenants by the Tenant Liaison Officers after initial letters were sent out, drop-in events in late March 2011 for the residential and commercial tenants most closely affected by the proposals, where they could speak to officers on an individual basis and discuss any concerns or aspirations they had. A further drop in consultation for the wider public and two design festival drop-in consultation events led by an independent facilitator took place in late May / early June 2011. The latter events were promoted by a local leaflet drop to residents in the Weston area and posters and leaflets being distributed to the shops. In total approximately 2,700 leaflets were distributed. This is to ensure that residents on site and those living in the surrounding neighbourhoods have been able to give their views on the proposals for redevelopment which will then be incorporated in the production of a development brief for the area.
38. To date public consultation has been on the whole supportive of redevelopment at Weston Shopping Parade. The re-provision of local shops on community facilities is considered very important as there are issues of isolation and poor accessibility in the area. Proposals coming forward will need to ensure continuity of key services. Appendix 2 contains a summary of the public consultation and responses prepared by Solent Centre for Architecture and Design.

### **Consultation – Townhill Park**

39. A leaflet was distributed to all residents in March 2011, advising of proposals to prepare a regeneration framework for Townhill Park. The feedback to date has generally been supportive of the proposals.
40. Formal consultation with residents will commence in late summer of 2011, once consultants have been appointed to deliver the Framework.

### **Consultation – Property Acquisition**

41. To date there has been no public consultation as regards to the proposed acquisition, due to the confidential nature. Subject to contract and without prejudice negotiations have however been ongoing with the freeholder.

### **Next Steps**

42. Should Cabinet approve the report recommendations, the next steps in delivering these projects will include:

Weston:

- (i) Inform the affected residents and begin to serve the initial demolition notices
- (ii) Inform the wider community of the Cabinet decision
- (iii) Begin a process of decanting existing Council tenants and acquisition of properties
- (iv) Undertake feasibility studies and options appraisals to determine the optimum scheme possible which aims to meet the aspirations for the site and is viable and deliverable.
- (v) Seek out funding opportunities for the project
- (vi) Investigate procurement options for effectively seeking a developer for the site and report back to the Director for Economic Development and Cabinet Member responsible the preferred procurement route(s).
- (vii) Report back to the Director for Economic Development and Cabinet Member responsible the proposals in the development brief and the proposed procurement strategy and seek approval to procure a developer.
- (viii) Once a preferred developer is selected from the procurement exercise, to report back to Cabinet to approve a recommendation to appoint and to enter into an appropriate form of contract with the preferred developer. If no developer is preferred report to Cabinet to consider appropriate next steps.

Townhill Park:

- (ix) Appoint consultants to deliver the Regeneration Framework for Townhill Park
- (x) Begin community consultation
- (xi) Report back Cabinet with the completed Regeneration Framework as appropriate.

Property Acquisition:

- (xii) Proceed to reach an agreement with the present owner on the acquisition of the property highlighted at Confidential Appendix 4 and acquire the property with vacant possession once agreement is reached.
- (xiii) Let out the property short term, awaiting wider regeneration proposals to develop.

## **RESOURCE IMPLICATIONS**

### **Capital/Revenue**

#### **Finance – Capital**

##### **Weston**

43. A provisional budget based upon regeneration proceeding has been prepared. This forecast is based on estimates of the costs for relocations and the Council's enabling costs and forecasts total capital spending of £1.955M. The HRA capital programme approved by council in February makes provision for this spending, phased as £5,000 in 2010/11, £975,000 in

2011/12 and £975,000 in 2012/13. There was an under-spend of £4,000 in 2010/11 and the HRA outturn report due to be considered by Council on 13 July proposes that this slippage is added to the budget for 2011/12. The latest estimate of the phasing of the capital expenditure is £500,000 in 2011/12, £1,000,000 in 2012/13 and £454,000 in 2013/14. It is proposed that the capital programme is amended to incorporate this latest assessment and that the scheme is approved on this basis.

44. As with previous estate regeneration schemes it is the intention to seek to recoup this outlay from a combination of grants and capital receipts so that there is no net capital cost to the HRA. It has always been accepted that there would be the need for short term funding from the HRA because the expenditure is always incurred before the capital receipt / grant is available. This will also be the case at Weston.
45. However, at the present time it is not possible to assess whether it will be possible to fully recover the initial capital outlay. The potential to obtain a capital receipt is dependent on the final development brief that is approved for the site. Research into the options for redevelopment of the site and their feasibility is currently being undertaken by Capita. It is also not possible at the current time to assess what level of support will be available from the Homes and Communities Agency (HCA) and what form this might take. This is because the HCA are currently in the process of negotiating contracts with Registered Providers, the outcome of which will not be known until late July.
46. This means that there is a risk of there being a net capital cost to the HRA. The implications of this would need to be incorporated in the budget process for 2012/13 and subsequent years.
47. The research being undertaken by Capita will assess the commercial viability of the redevelopment. If, following marketing, it transpires that market conditions are such that the project cannot be delivered and provide best consideration for the Council's land then a report will be made to Cabinet to consider appropriate next steps.

#### **Townhill Park**

48. The HRA capital programme approved by Council in February 2011 included £20M for a major estate regeneration scheme. There was a total provision of £1.47M across 2010/11 and 2011/12 to meet initial costs. The £200,000 proposed spending on the masterplanning work and associated fees and costs can therefore be funded from this provision.

#### **Property Acquisition**

49. It is legally possible to charge the acquisition of these properties to the HRA (see paragraph 63 below) and the HRA capital programme approved by Council in February made a total provision of £560,000 in 2011/12 for all site assembly costs.
50. The expected costs of acquiring the property can be contained within this budget for 2011/12 so it is therefore proposed to allocate some of the budget provision from 2011/12 in order to fund the acquisition of the properties. The sum involved is set out in Confidential Appendix 3.

## **Finance – Revenue**

51. The revenue budgets approved by council in February also made allowance for the revenue impact of the scheme at Weston. The loss in income from dwellings, shops etc. is approximately £223,000 in a full year. The annual revenue savings are approximately £48,000 and the saving on capital expenditure equates to approximately £181,000 pa for the next 10 years, although most of this would need to be spent in the next few years.
52. The revenue costs associated with the capital spending on the Regeneration Framework for Townhill Park and the property acquisition were also allowed for in the budget report. The costs of implementing the proposals in the Regeneration Framework will need to be assessed when firm proposals are available. Consultants will be tasked with producing a financial model and viable solutions. The other revenue implications of the proposed property acquisition will not be significant. There is likely to be modest income from letting out the acquired property on a short term basis but there will also be ongoing maintenance costs etc. Both will be accounted for in the HRA.

## **Property/Other**

### **Property**

53. This paper covers potential property disposals at a Council owned site, which also has some local Council services including the Weston Library and Weston Local Housing Office. Consultation has been undertaken with service managers in respect of any future proposals and will continue to ensure that they coalesce with the proposals that are being developed for the Weston Local Housing Office to merge with Peartree Local Housing Office and be re-provided from community facilities at Centenary Quay within the new Centenary Quay Library.
54. Lettings of shops on Council estates are categorised as “social property” which recognises that the prime purpose for holding this type of property, and the way in which it is managed, is to support the service and community. The case for regeneration sets out the opportunities to provide modern retail units to serve the future requirements of the community
55. The commercial tenants will be compensated in accordance with statutory valuation procedures which will be specific to each tenant. The Estates Regeneration Team has produced and distributed information leaflets for residential tenants and property owners which set out their statutory compensation arrangements.
56. Consent to dispose of the sites, once a developer is secured, will require Cabinet approval. The Council’s Strategic Services Partner, Capita, is acting as the Council’s property advisors inputting into these projects.

### **Property Acquisition**

57. This report seeks authority to acquire, where terms can be agreed, parcels of land which it would be desirable to incorporate within the potential regeneration sites now where Cabinet has given approval for consultation with residents to ensure these opportunities are not missed. These properties may be let out on

a short term basis providing the Council with a fairly modest rental income pending site redevelopment. Care would be taken not to enter into any letting agreements that would result in the tenants obtaining security of tenure.

#### **Other – Procurement**

58. The Council's Contract Procedures Rules govern the Council's procurement of goods, services and works. These rules reflect European and UK Law. For Weston and Townhill Park options for procurement which are compliant with the Council's Contract Procedure Rules will be further investigated.

### **LEGAL IMPLICATIONS**

#### **Statutory power to undertake proposals in the report:**

59. The Council has powers under the Housing Acts, Section 2 Local Government Act 2000, Landlord and Tenant legislation and the Town and Country Planning Act 1990 to undertake the estate regeneration proposals.
60. The Council also has powers under the Housing Acts 1985 and 1996, the Land Compensation Act 1973 (as amended) and the Planning and Compulsory Purchase Act 2004 to agree and to undertake the decanting of Council tenants to progress the scheme.
61. If approval is given in principle to the redevelopment of the site at Weston it is prudent to serve Initial Demolition Notices on existing secure tenants in the affected areas. This will have the effect of releasing the council from its obligations under the Housing Act 1985 to complete sales in respect of any existing or new Right to Buy (RTB) applications. The Initial Demolition Notice therefore suspends all existing claims and any new ones made will also be suspended.
62. In order to extinguish the RTB completely, a Final Demolition Notice (FDN) has to be served on any remaining secure tenants within five years of the service of the Initial Demolition Notice at which time the council must have concrete arrangements in place to purchase property which is not in its ownership.
63. Section 17 Housing Act 1985 permits the purchase of the properties by the HRA for land acquisition housing purposes as the land is likely to be required for housing purposes within the next 10 years. There are also powers of acquisition in section 227 of the Town and Country Planning act 1990 to acquire land by agreement where the land is required for planning purposes.

#### **Other Legal Implications:**

64. If acquisition cannot be achieved by agreement then authority will be sought to compulsory purchase the properties the subject of this report when the preferred developer is appointed.

### **POLICY FRAMEWORK IMPLICATIONS**

65. The Housing Strategy 2007-2011 and HRA Business Plan 2007-2037 agreed by Council in March 2007, set out the strategic direction and priorities for housing in the City which includes a priority to promote neighbourhood renewal. The updated Housing Strategy 2011-15 and Housing Revenue

Account Business Plan 2011-2041 to be presented to Cabinet on 4<sup>th</sup> July 2011 (and Council on 13<sup>th</sup> July 2011) confirm estate regeneration as a key priority for the council. The associated Decent Homes in Decent Neighbourhoods investment programme includes a number of transformational projects that will improve the condition of homes, the appearance of our estates and work towards creating more homes and mixed communities.

The proposals in this report will contribute towards the achievement of these objectives.

<b>AUTHOR:</b>	Name:	Amanda Douglass Estate Regeneration Manager	Tel:	023 8083 3368
	E-mail:	Amanda.douglass@southampton.gov.uk		
<b>KEY DECISION?</b>	Yes	<b>WARDS/COMMUNITIES AFFECTED:</b>	Woolston, Bitterne Park and Harefield wards.	

### SUPPORTING DOCUMENTATION

**Non-confidential appendices are in the Members' Rooms and can be accessed on-line**

- 1 Site Plan, Weston
- 2 Summary of Consultation, Weston
- 3 CONFIDENTIAL Property Acquisition
- 4 CONFIDENTIAL Site Plan, Property Acquisition

#### **Documents In Members' Rooms**

1.	Overview and Scrutiny Report – 30 <sup>th</sup> June
----	--

#### **Integrated Impact Assessment**

Do the implications/subject of the report require an Integrated Impact Assessment (IIA) to be carried out.	Yes
--	-----

#### **Other Background Documents**

**Integrated Impact Assessment and Other Background documents available for inspection at: Members' Rooms**

Title of Background Paper(s) Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)

1.	None	
----	------	--