

<b>DECISION-MAKER:</b>	CABINET
<b>SUBJECT:</b>	TOWNHILL PARK REGENERATION: ROWLANDS WALK COMPULSORY PURCHASE ORDER
<b>DATE OF DECISION:</b>	15 November 2022
<b>REPORT OF:</b>	<b>CABINET MEMBER FOR HOUSING AND GREEN ENVIRONMENT</b>

<b><u>CONTACT DETAILS</u></b>			
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<b>STATEMENT OF CONFIDENTIALITY</b>	
<p>Appendix 4 contains information deemed to be exempt from general publication based on Category 1 (information relating to any individual) and Category 3 (information relating to the financial or business affairs of any particular person (including the Authority holding that information)) of paragraph 10.4 of the Council’s Access to Information Procedure Rules.</p> <p>In applying the public interest test this information has been deemed exempt from publication due to confidential sensitivity. It is not considered to be in the public interest to disclose this information as it would reveal financial information relating to individual leaseholders and details of proposed transactions which could put the council or other parties at a commercial disadvantage.</p>	
<b>BRIEF SUMMARY</b>	
<p>This report outlines a proposal relating to the regeneration of Townhill Park. The regeneration proposals already have outline planning consent for a phased regeneration of the area. This report seeks resolution to make a compulsory purchase order (“Order”) to assist with the site assembly required to facilitate the regeneration of Plot 9 of the Townhill Park regeneration scheme (as edged red on the draft plan at Appendix 1 [A and B], also known as the “the Order land”).</p>	
<b>RECOMMENDATIONS:</b>	
(i)	To approve making a compulsory purchase order pursuant to section 226(1)(a) of the Town and Country Planning Act 1990 and section 13(1) of the Local Government (Miscellaneous Provisions) Act 1976 for the acquisition of land and rights for the purposes of securing the regeneration and redevelopment of land within Plot 9 comprising the demolition of the Rowlands Walk blocks and the erection of new housing accommodation.
(ii)	To authorise the Executive Director for Communities, Culture and Homes following consultation with the Director of Legal and Business

		<p>Services to carry out the functions set out in (c), (d), (g) and to authorise the Director for Legal and Business Services to carry out the functions set out in (a), (b), (e) and (f) below:</p> <ol style="list-style-type: none"> <li>a. To take all steps to secure the making, confirmation, and implementation of the Compulsory Purchase Order (“Order”) including the publication and service of all notices and the promotion of the Council’s case at any public inquiry;</li> <li>b. To make any amendments, deletions or additions to the land identified in this report to be subject to the Order (“Order Land”) as to include and describe all interests in land and rights required to facilitate the carrying out of the redevelopment and regeneration of Plot 9 of Townhill Park;</li> <li>c. To identify and acquire interests and new rights required to facilitate delivery of the redevelopment and regeneration of Plot 9 Townhill Park either by agreement or compulsorily pursuant to the Order including conduct of negotiations, making provision for the payment of compensation;</li> <li>d. To negotiate, agree terms and enter into agreements with interested parties including the withdrawal of objections to the Order and/or undertakings not to enforce the Order on specified terms, including where appropriate removing land or rights from the Order, making provision for the payment of compensation and/or relocation;</li> <li>e. In the event the Order is confirmed by the Secretary of State, to advertise and give notice of confirmation and thereafter to take all steps to implement the Order;</li> <li>f. To take all steps in relation to any legal proceedings relating to the Order including defending or settling claims referred to the Lands Tribunal and/or applications to the courts and any appeals; and</li> <li>g. To retain and/or appoint external professional advisers and consultants to assist in facilitating the promotion, confirmation and implementation of the Order, the settlement of compensation and any other claims or disputes.</li> </ol>
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**REASONS FOR REPORT RECOMMENDATIONS**

1.	The Council originally resolved to regenerate the Townhill Park in March 2012 (Decision Reference CAB 11/12 7817). Outline planning consent was granted in May 2016 (planning reference 15/01856/OUT/7069).
2.	<p>The purpose of this report is to facilitate the demolition of 1 – 131 (odd numbers) Rowlands Walk within the Townhill Park area and the development of 51 new homes on Plot 9 of Townhill Park. The Council needs to demolish the 3 blocks that make up Rowlands Walk and form Plot 9 of the regeneration scheme. The Scheme for which the Order is being utilised consists of:</p> <p><i>“enhancement and part-redevelopment of the Townhill Park Estate with 665 new dwellings following demolition, associated parking and replacement public open space” (the “Scheme”)</i></p>

	of which Plot 9 forms part, and cannot do so until it has full ownership of all interests in the Order land.
3.	The Rowlands Walk blocks were built in the 1960s and have poor energy efficiency. It was also established that the balconies are defective and uneconomical to repair.
4.	To date and despite ongoing negotiations with affected parties, the Council has been unable to acquire all of the outstanding third party land interests in the proposed Order Land site through agreement and is unlikely to be able to do so without the use of the Order.
5.	The justification for making the Order is set out in the draft Statement of Reasons at Appendix 2 of this report, but can be summarised briefly as follows: <ul style="list-style-type: none"> <li>a. The blocks are beyond economic repair and form a key part of the wider Townhill Park regeneration area for which outline planning consent is in place;</li> <li>b. Redevelopment of the Order Land will contribute to the improvement of the environmental, economic and social wellbeing of the area.</li> </ul>
6.	The confirmation of an Order can be protracted if the Order is challenged, which means the Council must therefore proceed with starting the Order process now in order to avoid any further delays. A number of further steps will need to be taken to make, confirm and implement the Order. In order to expedite this progress, Cabinet is also asked to grant delegated authority to the relevant officers identified in the Recommendations section of this report to undertake the actions required.
<b>ALTERNATIVE OPTIONS CONSIDERED AND REJECTED</b>	
7.	The Council gained outline planning consent to regenerate the Townhill Park area in 2016. The Council's stock in the area was in poor condition and in need of wholesale regeneration. The Rowlands Walk blocks have been identified as having defective balconies which are beyond economic repair. Plot 9 forms an integral part of the Townhill Park regeneration masterplan, which in turn drives environmental economic and social benefits to the area and the City of Southampton.
8.	The Council has attempted to reach a negotiated solution with the remaining leaseholders within these blocks, but this has not proved possible to date. It is therefore considered that whilst continuing to pursue a negotiated conclusion to acquiring the remaining external interests, making an Order is now the only option to ensure that the Council secures full ownership.
9.	The Council could choose to make an offer for 57 Rowlands Walk in the sum that the leaseholder has indicated they would accept. However, this is considerably higher than the level of the independent valuation. From time to time, the council has no option but to pursue Compulsory Purchase Orders, and it is important that the Council follows it's own policies and legislation, and treats all people fairly using the same approach.
<b>TOWNHILL PARK REGENERATION CONTEXT</b>	
10.	The Townhill Park area is a part of the city with very considerable levels of deprivation particularly as regards education, skills and training, employment and crime. The estate is located on the east edge of the city. The estate is narrow and runs north south with flats and terraces arranged around Meggeson Avenue the main distributor road. The landform is hilly and to the north-west is

	the semi wild area known as Frog's Copse, while the ancient Cutbush Lane lies on the eastern boundary.
11.	Townhill Park spans the North East of Bitterne Park and Harefield wards on the boundary edge in the east side of the city. It is represented by the Lower Level Super Output Areas (LSOA) E01017174, E01017179, E01017201 AND E01017202. Townhill Park has high levels of deprivation in the Crime domain. In other domains and overall, Townhill Park is in the mid-range for deprivation by England deciles. LSOA E01017202 is higher deprivation in many domains when compared with the other LSOA's in Townhill park, in particular Income deprivation affecting children index (IDACI), employment domain, health deprivation and disability domain and the education, skills and training domain.
12.	Townhill Park is an identifiable area of Southampton made up largely of 1960's and 70's blocks of flats and terraced houses. Many of the terraced houses have been purchased under Right to Buy. The blocks of flats are aging and becoming increasingly expensive to maintain and have poor energy efficiency ratings. The relationship of the blocks to the nearby open space does not optimise its use by residents. The council approved the design principles of the Townhill Park Regeneration in March 2012 and the initial investment in November 2012.
13.	The overall population for Townhill Park is approximately 5,988 people in 2021 (Source: Small Area Population Forecast – Hampshire County Council 2021-base) based on the LSOA in the area. Of which 3,026 are female (50.5%) and 2,962 are male (49.5%).
14.	The under 18 population is 1,325 people or 22.1% and the over 65 population represents 1,112 people or 18.6%. The population is estimated to increase to 6,671 people in 2028. An increase of 11.4% between 2021 and 2028 (as a natural forecast increase, not as a result of the Townhill Park regeneration scheme).
15.	It is estimated that there were 2,528 dwellings, in 2021, in Townhill Park and this is predicted to increase to 2,900 in 2028 an increase of 14.7% (as a natural forecast increase, not because of the Townhill Park regeneration scheme).
16.	In 2016 outline planning permission for 665 homes was granted. This included: enhancement and part-redevelopment of the Townhill Park Estate with 665 new dwellings following demolition, associated parking, and replacement public open space.
17.	56 new homes have been built and occupied in April 2019 at Roundhill Close. Considerable progress has been made on decommissioning of plots and is continuing. Townhill Park was awarded £3.75M Homes England (HE) Housing Infrastructure Funding (HIF) and this has been used to design and carry out infrastructure improvements to Meggeson Avenue and the creation of a new local park, Townhill Green completed in May 2022.
18.	Townhill Park Plots 2, 9 &10 are progressing on the basis of a 2-stage tender procurement to secure planning consent and deliver the schemes. Stage 1: Pre-Construction Services Agreement (PCSA), to achieve a revised and viable planning consent is currently underway. Stage 2 is the award of the building contract for subsequent construction stage activities. It is anticipated that this will provide circa 273 homes on the 3 sites.

19.	Decommissioning of the Rowlands Walk blocks commenced in October 2019 and at the time of writing, only the two remaining leasehold flats remain across all three blocks, and only one of those is still occupied.
20.	Since the early Master Plan work started in late 2011 there has been regular consultation with a range of bodies, including local residents. This included public consultation in June 2015 prior to the submission of the 2016 planning application. Also, in September 2015 the statutory public consultation as part of the planning process was also carried out.
21.	During the time the proposals have been developing there have been many changes in response to the consultations. These include: <ul style="list-style-type: none"> <li>• Withdrawal of the proposed housing site at Frog's Copse and on the land grassland west of Hidden Pond.</li> <li>• The vehicular link from Townhill Park to Cornwall Road or opening a link to Cutbush Lane was not progressed.</li> <li>• No development was pursued on the existing garage site and the open space at the top of Roundhill Close (Plots 3 and 4).</li> <li>• Postponing a decision on developing the site with the bus turning circle (Plot 14) and withdrawing it from the planning application. Discussions about its future will be held with the Townhill Park Forum.</li> </ul>
22.	During the process of developing the proposals for Townhill Park regeneration there has been broad and continuing public support for the regeneration proposals.
23.	The Townhill Park Forum receives quarterly updates on the proposals. It is made up of local community groups and interested parties and is facilitated by the local stakeholder group SO18 Big Local and provides valuable input and comment on the detail of the redevelopment proposals.
<b>PROPOSALS FOR THE ORDER LAND AND WIDER REGENERATION CONTEXT</b>	
24.	Proposals for the Order land known as Plot 9 are for redevelopment of the 3 existing blocks of flats and replacement with a mix of houses and flats. The 2016 planning consent contained 48 homes and the current proposal is for 17 houses and a block of 34 flats. There is associated parking for all homes within the plot and all homes will meet or exceed current energy standards.
25.	The wider regeneration proposals were set out in the 2016 outline planning permission for 665 homes. Proposals include redevelopment of the existing blocks of flats and replacement with a mixture of flats and houses, creation of a new green space in the centre of Townhill Park and improvements to the main road Meggeson Avenue to make the area more public transport, cycle and walking friendly. (The latter have already been completed with HE HIF funding as set out in paragraph 17 above). Further detail included: enhancement and part-redevelopment of the Townhill Park Estate with 665 new dwellings following demolition, associated parking, and replacement public open space. Full detailed permission was given for 276 homes, and subsequent 389 homes in outline with Access, Layout and Scale submitted for approval with External Appearance and Landscaping reserved, and outline provision for a retail store (up to 500sq.m). (Appendix 2 Masterplan for Townhill Park Regeneration).
26.	The first phase of the regeneration scheme reached practical completion in 2019. The Acquiring Authority is now working on the delivery of further phases, of which Plot 9 is one. Plot 2 is expected to deliver 202 apartments, Plot 9 is

	expected to deliver 51 homes made up of 17 houses and 34 apartments, and Plot 10 is expected to deliver 20 three bedroomed houses.
27.	Cabinet approved the principles for the Townhill Park Regeneration Framework and Master Plan on 12 March 2012. The project has been the subject of a number of further Cabinet reports since that date. The most recent Council decision was in July 2020 when it approved the 1,000 Homes Programme. This included a number of Townhill Park Plots including 2, 9 and 10, and the commitment to the whole programme and expenditure of £144 million. This report also delegated delivery of the programme to the Council's Executive Director of Growth in association with members of the New Homes Board. This Board administers the delivery of the regeneration of Townhill Park, which is a long-established priority for the Council.
<b>DESCRIPTION OF THE LAND, LOCATION AND PRESENT USE</b>	
28.	The Order would cover 2 individual parcels of land (being the remaining leasehold interests) which are not in the Authority's ownership on Plot 9 of the Townhill Park Regeneration bounded by Ozier Road, Kingsdown Way, Longmead Road and Rowlands Walk footpath running into Rowlands Walk Road, Townhill Park, Southampton shown coloured pink and numbered 1 and 2 on the Order map at Appendix 1 (collectively referred to as "the Order land" in this report and the draft Statement of Reasons.
29.	The freehold of the Order land is owned by the Authority and forms part of the area known as Rowlands Walk, Townhill Park forming a discrete development of 3 large blocks of flats forming Council housing (with a few leasehold properties), now largely vacant pending redevelopment.
30.	The Council has continued to seek a negotiated solution with the two remaining leaseholders within the Order land. At the time of writing this report, one of the leaseholders recently accepted an offer from the Council to acquire their interest. The Council will proceed with this acquisition as negotiated, but an Order would offer a fall-back position for acquisition should the leaseholder fail to proceed with the negotiated arrangement,
31.	Full details of the properties to be acquired will be set out in a Schedule to the Order but in summary comprise: <ul style="list-style-type: none"> <li>- All interests except those already owned by the acquiring authority in approximately 81.2 m<sup>2</sup> (Gross Estimated Area, GEA) of land situated at 57 Rowlands Walk, Townhill Park, Southampton coloured pink and numbered 1 on the Order map. This property is a 3 -bedroom maisonette within a block of flats known as 45-87 Rowlands Walk, Townhill Park, SO18 2GW and is to include a shed, a shared drying area, access rights and land held on a 125-year lease from 1st January 2003.</li> <li>- All interests except those already owned by the acquiring authority in approximately 81.2 m<sup>2</sup> (Gross Estimated Area, GEA) of land situated at 77 Rowlands Walk, Townhill Park, Southampton coloured pink and numbered 2 on the Order map. This property is a 3 -bedroom maisonette within a block of flats known as 45-87 Rowlands Walk, Townhill Park, SO18 2GW and is to include a shed, a shared drying area, access rights and land held on a 125-year lease from 1<sup>st</sup> January 2003.</li> </ul>
<b>THE PURPOSE OF THE AUTHORITY IN SEEKING TO MAKE THE ORDER</b>	

32.	The purpose of the Authority in making the Order is to assist in achieving the key Government housing policy goals of planning for the right homes in the right places, as well as increasing the energy efficiency of our housing stock.
33.	The authority seeks to acquire the Order land to facilitate a redevelopment of the Order land (together with other parts of Townhill Park owned by the acquiring authority) for the purpose of erecting housing and facilities which serve a beneficial purpose for the future occupiers of the housing, and residents of the City of Southampton. The Order land is shown edged red on the plan attached as Appendix 1 to this statement and marked Townhill Park Regeneration Plan Plot 9 Rowlands Walk.
34.	This will regenerate the area and deliver an affordable, energy efficient housing scheme which will improve the visual character of the area relating well to its surroundings. The Council is satisfied that the Scheme will improve the quality of housing within the site.
35.	In March 2022, the Council approved the development of a new framework for delivering affordable housing in the city which focuses on the transfer of Council-owned land to affordable housing providers to deliver much-needed new homes. A further report is planned to go to Cabinet in December 2022 for approval of the first tranche of sites to transfer and their tender under the Framework. In the meantime, the Council is proceeding with direct delivery of Plots 2, 9 and 10 of Townhill Park. Regardless of the route to delivery of homes on plot 9 there is a need for vacant possession of the entirety of the site to facilitate the delivery of new homes.
<b>JUSTIFICATION FOR Compulsory Purchase Order (“Order”)</b>	
36.	<p>The full detail of the justification for the Order is set out in the draft Statement of Reasons in Appendix 2. The first recommendation of this report is that the Council uses its powers under section 226(1)(a) of the Town and Country Planning Act 1990. The Guidance on Compulsory purchase process and the Crichel Down Rules says:</p> <p style="text-align: center;"><i>“Section 226(1)(a) enables acquiring authorities with planning powers to acquire land if they think that it will facilitate the carrying out of development (as defined in section 55 of Town and Country Planning Act 1990), redevelopment or improvement on, or in relation to, the land being acquired and it is not certain that they will be able to acquire it by agreement.”</i></p> <p>The Guidance goes on to set out further detailed guidance in relation to Section 226(1)(a) which the draft Statement of Reasons in Appendix 2 seeks to address, including the factors which the Secretary of State can be expected to consider, including:</p> <ul style="list-style-type: none"> <li>• <i>“whether the purpose for which the land is being acquired first in with the adopted Local Plan for the area or, where no such up to date Local Plan exists, with the draft Local Plan and the National Planning Policy Framework</i></li> <li>• <i>the extent to which the proposed purpose will contribute to the achievement of the promotion or improvement of the economic, social or environmental wellbeing of the area</i></li> </ul>

	<ul style="list-style-type: none"> <li>• <i>whether the purpose for which the acquiring authority is proposing to acquire the land could be achieved by any other means. This may include considering the appropriateness of any alternative proposals put forward by the owners of the land, or any other persons, for its reuse. It may also involve examining the suitability of any alternative locations for the purpose for which the land is being acquired</i></li> <li>• <i>the potential financial viability of the scheme for which the land is being acquired. A general indication of funding intentions, and of any commitment from third parties, will usually suffice to reassure the Secretary of State that there is a reasonable prospect that the scheme will proceed. The greater the uncertainty about the financial viability of the scheme, however, the more compelling the other grounds for undertaking the compulsory purchase will need to be. The timing of any available funding may also be important. For example, a strict time limit on any availability of the necessary funding may be an argument put forward by the acquiring authority to justify proceeding with the order before finalising the details of the replacement scheme and/or the statutory planning position.”</i></li> </ul>
37.	The implementation of the scheme requires the acquisition of outstanding leases as set out in paragraph 31. Since 2021 the Acquiring Authority has entered into discussions and negotiations with the holders of these land interests for their acquisition by agreement and will continue these negotiations.
38.	Single ownership is required to enable redevelopment to proceed at an early date by providing certainty for programming which will enable the Acquiring Authority to achieve its objectives in a timely manner.
39.	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 paragraph 2.
40.	<p>As at 12/10/22, there were 7,508 households registered and able to bid for accommodation in the City. The household accommodation size needs are broken down as follows:-</p> <p>1 bedroom = 4,220  2 bedroom = 1,440  3 bedroom = 1,523  4 bedroom or larger = 325</p> <p>Approximately 1,500 of these households are waiting for age-designated accommodation (50 or 60+). Approximately 6,000 of these households are waiting for general needs accommodation.</p> <p>The Council operates a choice based lettings scheme, so does not require applicants to specify preferred areas in which they wish to live. This means that it is not possible to set out how many households have expressed a particular interest in living in the Townhill Park area.</p>
<b>HUMAN RIGHTS</b>	
41.	In reaching their decision, members should take account of the provisions of the Human Rights Act 1998. As a public authority, the Council must not act in



	<p>a way which is incompatible with a Convention right protected by the Human Rights Act 1998. As outlined above, in officers' view there are strong grounds on which to conclude that there is a compelling public interest sufficient to justify interfering with the human rights of those with an interest in the Order Land, in compulsorily acquiring the third party interests.</p>
42.	<p>The key provision of the CPO Guidance is paragraph 2:</p> <p><i>“Acquiring authorities should use compulsory powers where it is expedient to do so. However, a compulsory purchase order should only be made where there is a compelling case in the public interest”</i> and that authorities <i>“should be sure that the purposes for which the compulsory purchase order is made justify interfering with the human rights of those with an interest in the land affected.”</i></p> <p>This not only summarises the national policy and the need for there to be a “compelling case in the public interest” for compulsory acquisition, but also meets the requirements of the Convention. In relation to Article 1 of the First Protocol of the European Convention, a fair balance is required to be struck between the public interest and private rights and in relation to Article 8, any interference with the right to respect for a person’s private and family life and home must be proportionate.</p>
43.	<p>Human rights protected by the 1998 Act of particular importance to the decision on compulsory purchase are those under Articles 6 and 9 and Article 1 of the First Protocol of the Convention.</p> <p>Article 6 provides:</p> <p><i>“In the determination of his civil rights and obligations or of any criminal charge against him, everyone is entitled to a fair and public hearing within a reasonable time by an independent and impartial tribunal established by law.”</i></p> <p>The statutory procedures require that all those likely to be affected by the Order are notified and given an opportunity to object. If there are objections the Secretary of State will arrange a public local inquiry so that their objections can be heard (unless all parties agree to the written representations procedure). The legislation provides for statutory review in the event of challenge to the decision of the Secretary of State on confirmation of the Order. Disputes over compensation can be referred for hearing by the Lands Chamber of the Upper Tribunal. Taken together, the availability of these procedures satisfies the requirements of Article 6.</p> <p>Article 1 of the First Protocol provides:</p> <p><i>“Every natural or legal person is entitled to the peaceful enjoyment of his possessions. No one shall be deprived of his possessions except in the public interest and subject to the conditions provided for by law and by the general principles of international law.”</i></p>

	<p>Article 1 of the First Protocol again indicates that compulsory purchase must strike a fair balance between the public interest and the private rights protected by Article 1, equivalent to proportionality under Article 8. For the reasons set out above, it is considered that there is a compelling case in the public interest for the Order to be made and this satisfies the requirements of proportionality and fair balance.</p>
<p><b>PUBLIC SECTOR EQUALITIES DUTY</b></p>	
<p>44.</p>	<p>The Equality Act 2010 provides protection from discrimination in respect of certain protected characteristic namely: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. Section 149 of the Equality Act 2010 places the Council, as a public authority, under a legal duty (“the public sector equality duty”), in the exercise of all its functions, to have due regard to the need to:</p> <ul style="list-style-type: none"> <li>• Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act;</li> <li>• Advance quality of opportunity between persons who share a “relevant protected characteristic” (i.e. the characteristics referred to above other than marriage and civil partnership) and persons who do not share it; and</li> <li>• Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.</li> </ul>
<p>45.</p>	<p>Section 149 of the Equality Act 2010 and its predecessor provisions have been considered by the courts on a number of occasions. The principles derived from these cases include:</p> <ul style="list-style-type: none"> <li>• “due regard” requires more than simply giving consideration to the above factors, councillors should be aware of the special duties the Council owes to those with protected characteristics;</li> <li>• “due regard” is the regard that is appropriate in all the particular circumstances including, on the one hand, the importance of the areas of life of the members of the protected group that are affected and the extent of effects; and on the other hand, such countervailing factors as are relevant to the function which the decision-maker is performing;</li> <li>• No duty is imposed to take specific steps, it is a duty to have regard to the need to achieve the various goals referred to above;</li> <li>• The duty must be fulfilled before and at the time that a particular policy which might affect protected groups is being considered. It involves a conscious approach and state of mind. It must be exercised in substance, with rigour and with an open mind. It is not a question of ticking boxes;</li> <li>• The duty must be discharged by the public authority, it cannot be delegated;</li> <li>• It is a continuing duty; and</li> <li>• It is good practice for those exercising public functions in public authorities to keep an adequate record showing that they have considered the public sector equality duty.</li> </ul> <p>It is necessary for the Council to have regard to this duty in determining whether to authorize the making of the Order.</p>
<p>46.</p>	<p>A number of Equality Impact Assessments (“ESIAs”) have been carried out in relation to the Townhill Park regeneration scheme over the years, including for</p>

	the regeneration scheme as a whole (in 2014), for the Acquisition and CPO Policy (in 2017) and the Decommissioning Order Revision (in 2021).
47.	In the case of this paper, which concerns making an Order for Plot 9 of the Townhill Park Regeneration scheme, the two remaining leaseholders will be directly affected by the Order.
48.	An ESIA has been undertaken to assess the impact of any protected groups of the making of a compulsory purchase order and implementation of Plot 9. This can be reviewed in Appendix 3.
49.	Overall, it is considered that there is a compelling case in the public interest for the acquisition of the Order Land, as this will bring benefits to residents in the Townhill Park area of Southampton that could not be achieved by agreement, and this outweighs the loss that will be suffered by those with an interest in the Order Land. This compulsory purchase order follows existing legislative provisions in respect of the making and confirming of Orders and the payment of compensation and, as such, officers consider it to be compatible with the Convention.
<b>ACQUISITION AND COMPULSORY PURCHASE ORDERS POLICY</b>	
50.	The Southampton City Council Acquisition and Compulsory Purchase Orders Policy 2017 applies to the acquisition of property from freeholders, leaseholders and private tenants. This sets out the Council's approach to consultation, acquisition, compensation, etc. for anyone affected by decommissioning of Council housing stock either by virtue of ownership or occupation.
51.	The individual leaseholders have been treated according to that Policy and offered compensation. The services of an independent Chartered Surveyor have been provided and paid for by the Council for the leaseholders to ensure the purchase price offered is fair and reasonable. Housing advice has been provided to the resident leaseholder and the non-resident leaseholder's tenant advising them of their various housing options.
<b>DELIVERABILITY OF THE SCHEME</b>	
52.	The financial aspects of the deliverability of the Scheme are set out in the Capital/Revenue Resource Issue paragraphs 65-69 below.
53.	In 2016 a planning consent for 665 homes was approved (15/01856/OUT/7069). This included: enhancement and part-redevelopment of the Townhill Park Estate with 665 new dwellings following demolition, associated parking, and replacement public open space.
54.	Townhill Park Plots 2, 9 & 10 are progressing on the basis of a 2-stage tender procurement to secure planning consent and deliver the schemes. Stage 1: Pre-Construction Services Agreement (PCSA), to achieve a revised and viable planning consent is currently underway. Stage 2 is the award of the building contract for subsequent construction stage activities.
55.	On 07/05/19, a non-material amendment was accepted (19/00784/NMA) which allowed phased Reserved Matters applications to be made as the regeneration scheme progressed. However, in the case of Plots 2, 9 and 10 of the Scheme, it has been decided to make a new full planning application – there are further details including a proposed timetable for this in Appendix 2.
<b>OUTLINE OF THE COMPULSORY PURCHASE PROCESS</b>	

56.	The procedures for compulsory purchase under planning powers are mainly governed by the Acquisition of Land Act 1981, the Compulsory Purchase (Vesting Declarations) Act 1981 and the Compulsory Purchase Act 1965. Compensation for affected parties is governed by a number of statutes including, in particular, the Land Compensation Acts 1961 and 1973, the Compulsory Purchase Act 1965 and a considerable body of case law.
57.	The procedures for compulsory purchase under housing powers are mainly governed by Section 17 of the Housing Act 1985, The Acquisition of Land Act 1981 and the Compulsory Purchase Act 1965.
58.	<p>In outline, if Cabinet resolves to make an Order, the main steps which will be taken include:-</p> <ol style="list-style-type: none"> <li>1. Making the Order (by way of the formal resolution recommended by this paper)</li> <li>2. Notification of persons affected and publicity (a notice must be published for two successive weeks in one or more local newspapers and must also be fixed on or near the land covered by the order) for the making of the Order and the Council's intention to submit it to the Secretary of State for confirmation.</li> <li>3. Submission of the Order to the Secretary of State.</li> <li>4. Minimum of 21 days from notification of the order for the public to make representations / objections.</li> <li>5. Public local inquiry (if objections outstanding).</li> <li>6. Inspector's report to the Secretary of State (in the event that there has been a public local inquiry).</li> <li>7. Secretary of State's decision on confirmation.</li> <li>8. Notification and publicity for the Secretary of State's decision (if confirmed).</li> <li>9. Six week challenge period.</li> <li>10. Acquiring / taking possession of the Order Land.</li> <li>11. Compensation to the affected parties.</li> </ol>
59.	Alongside these steps, reasonable efforts to acquire land and rights by agreement would be expected to continue.
60.	The necessary work in gathering information needed to draw up the Order will need to be completed. The Order will include a schedule listing of all owners, lessees, tenants and occupiers and others who are likely to have a claim for compensation if compulsory purchase takes place. These affected parties are known as "qualifying persons" and they must all receive the statutory notices once the Order is made.
61.	In addition, they will be provided with a (non-statutory) "Statement of Reasons" for making the Order. The statutory notices will invite them to make representations / objections to the Secretary of State within a specified period of at least 21 days (step 4 above).
62.	If valid objections to the Order are made to the Secretary of State (SoS) by qualifying persons and they are not withdrawn, the SoS is likely to arrange for a public local inquiry to be held and the Council and all objectors will be notified (objections which relate exclusively to compensation may be disregarded for this purpose). The date of the Secretary of State's notification confirming his intention to hold a public inquiry is known as the "relevant date". The public

	local inquiry would normally take place within 22 weeks of the relevant date. The Council will be required to provide the Planning Inspectorate and National Planning Casework Unit and all objectors with a Statement of Case within 6 weeks after the relevant date. The Secretary of State may require other parties to prepare outline and full Statements of Case.
63.	After the inquiry the Inspector will report to the Secretary of State who will decide whether the Order should be confirmed, modified or rejected (step 7 above). If the Order is confirmed the Council must publish notice of confirmation and give individual notices to all qualifying persons with a copy of the Order as confirmed (step 8 above). The date on which notice of confirmation is first published is important as a number of key time limits run from this date, in particular, the 6 week statutory challenge period (step 9 above) and the three year period within which the powers to acquire the land under the Order must be “exercised”, either by serving notice to treat or by executing a general vesting declaration (step 10 above).
64.	So far as possible, all claims for compensation will be settled by agreement. Rights to compensation include the value of the land and rights acquired, as well as for “disturbance” such as removal costs, Stamp Duty Land Tax payable on buying replacement property, etc.
<b>RESOURCE IMPLICATIONS</b>	
<b><u>Capital/Revenue</u></b>	
65.	The Council is currently holding an overall total budget of £60.5m for the delivery of the development and regeneration proposals for Plots 2, 9 and 10 Townhill Park. There is also a regeneration budget which was set to cover the costs of decanting the properties. This latter budget allows for the potential cost of an Order.
66.	The costs incurred in pursuing an Order to acquire the outstanding external legal interests at Plot 9 Townhill Park, or indeed in reaching a negotiated settlement with remaining leaseholder(s) form part of the regeneration scheme costs. Such costs will be capitalised and will form part of the financial scrutiny of the project before final approval is sought to start on site.
67.	The remainder of the properties in the Plot 9 area are now all empty and incurring a loss of rent to the Council. Until the Council owns all the land interests within Plot 9, the regeneration of the area cannot commence and all delays increase the level of rent loss the Council suffers.
68.	The Council has Right to Buy Receipt monies which it can apply to the capital costs of delivering the Scheme. In addition, discussions with Homes England are ongoing, and they have indicated that they would consider applications for further capital grant funding available to support delivery of the Scheme subject to a successful application.
69.	Once delivered, the intention is that the Scheme should generate long-term net rental income from the new affordable housing provided and capital receipts from shared ownership properties. This ongoing income facilitates the Council in raising borrowing to cover any shortfall in the capital costs of delivering the Scheme, although it is worth noting borrowing costs are subject to significant volatility currently, influenced by national economic conditions and other events, and therefore have a degree of uncertainty.
<b><u>Property/Other</u></b>	

70.	The Council holds the freehold interest in the majority of the Plot 9 area. An outline planning consent is in place and the Council intends to demolish the existing buildings on Plot 9 and redevelop the area with new, more energy-efficient affordable housing that better meets the needs of the city. The new homes will generate rental income as part of the Council's affordable housing stock.
<b>LEGAL IMPLICATIONS</b>	
<b><u>Statutory power to undertake proposals in the report:</u></b>	
71.	The power to make an Order and the necessary tests to consider is set out in the body of the report. An outline of the Compulsory Purchase Order process is set out in the body of the report.
<b><u>Other Legal Implications:</u></b>	
72.	Human rights and public sector equality duties considerations are set out in the body of the report and a more detailed ESIA contained in the background documents to the report.
<b>RISK MANAGEMENT IMPLICATIONS</b>	
73.	The financial risks are considered in the body of the report. The decision could be challenged by way of a claim for judicial review. The Order process is set out in the body of the report and the risks of any such challenge will be reviewed at each relevant stage.
<b>POLICY FRAMEWORK IMPLICATIONS</b>	
74.	The proposals contained in the report are in accordance with the Council's Policy Framework Plans. The planning permission for the proposed regeneration scheme accords with the Council's Development Plan (referred to in Article 4 of the Constitution as the Council's Local Development Framework).

<b>KEY DECISION?</b>	<b>Yes</b>
<b>WARDS/COMMUNITIES AFFECTED:</b>	Bitterne Park, Harefield
<b><u>SUPPORTING DOCUMENTATION</u></b>	
<b>Appendices</b>	
1.	Draft CPO Order Map (plan A – Plot 9 area, plan B – insets showing 57 and 77 Rowlands Walk)
2.	Draft Statement of Reasons
3.	Equality and Safety Impact Assessment
4.	Confidential appendix containing more detailed information about negotiations with individual leaseholders

**Documents In Members' Rooms**

1.	None
<b>Equality Impact Assessment</b>	
<b>Do the implications/subject of the report require an Equality and</b>	<b>Yes</b>

<b>Safety Impact Assessment (ESIA) to be carried out.</b>		
<b>Data Protection Impact Assessment</b>		
<b>Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.</b>		<b>No</b>
<b>Other Background Documents</b>		
<b>Other Background documents available for inspection at:</b>		
<b>Title of Background Paper(s)</b>		
1.	None	