

TELFORD & WREKIN COUNCIL

DELEGATED DECISION BY THE DIRECTOR OF PROSPERITY & INVESTMENT

GET BUILDING FUND – STRONGER COMMUNITIES – USE OF COMPULSORY PURCHASE POWERS

LEAD CABINET MEMBER – CLLR DAVID WRIGHT, CABINET MEMBER FOR ECONOMY, HOUSING, TRANSPORT AND INFRASTRUCTURE

PART A – SUMMARY REPORT

1.0 SUMMARY OF MAIN PROPOSALS

- 1.1 To seek approval to support the Wrekin Housing Group in redeveloping an estate of residential housing on land off Glebe Street/High Street, Wellington, through the exercise by the Council of its compulsory purchase powers.
- 1.2 To authorise the use of statutory powers and take other steps necessary to formally identify landowners and others with an interest in the Site for the purposes of preparing a schedule of interests, a key requirement of a Compulsory Purchase Order (CPO).

2.0 RECOMMENDATIONS

- 2.1 It is recommended that the Director of Prosperity and Investment authorises the exercise by the Council of its CPO powers to acquire under section 17 Housing Act 1985 for the purposes of bringing forward the comprehensive redevelopment of the Site [Appendix 1] for new and improved housing
- 2.2 It is recommended that authority is also given to:
 - 2.2.1 the exercise by the Council of its powers pursuant to section 16 Local Government (Miscellaneous Provisions) Act 1976 and/or section 5A Acquisition of Land Act 1981 to require owners and occupiers of the Site to provide information about their ownership or occupation
 - 2.2.2 the appointment (as required) of a firm of Land Referencing agents to carry out a land referencing exercise for the purposes of preparing a schedule of interests in the Site and a map both required for the purposes of making a CPO.
- 2.3 Authority is sought in accordance with the delegations granted to Chief Officers in the Council's Constitution.

3.0 SUMMARY IMPACT ASSESSMENT

Community Impact	Do these proposals contribute to specific Co-Operative Council priority objective(s)?	
	Yes	Regeneration of those neighbourhoods in need and work to ensure that local people have access to suitable housing
	Will the proposals impact on specific groups of people?	
	Yes	In addition to meeting general housing need, the development will increase the availability of high quality affordable housing within the Borough.
Target Completion/ Delivery Date	Local Growth Fund (Get Building) grant needs to be defrayed by end March 2022 with projects delivered in their entirety by end March 2025. To meet these deadlines, the purchase of the remaining property interests need to conclude as soon as possible to enable site clearance and redevelopment to begin.	
Financial/ Value for Money Impact	Yes	<p>The Council was awarded £2.38M grant through the Get Building Fund (allocated from Local Growth Funding) which, is being used to support the second stage of the Stronger Communities Programme at New College, Wellington. The grant is also being used to support a redevelopment proposal at High Street/Glebe Street lead by WHG. The grant must be defrayed by 31 March 2022. Failure to meet this requirement may result in grant clawback.</p> <p>The award additionally identifies £18.62M of match funding which must be spent by the delivery partner (Wrekin Housing Group (WHG)). A back to back agreement is in place with WHG ensuring that the financial risk of non-delivery is addressed.</p> <p>The costs incurred in progressing the CPO will be funded by WHG either through the £1.5M grant allocated or as part of their match funding commitment.</p> <p>DR 7.7.21</p>
Legal Issues	Yes	<p>The Council has legal powers to promote CPOs under the Housing Act 1985 where the use of the powers will lead to a quantitative or qualitative improvement in housing.</p> <p>In promoting a CPO Government guidance provides that a CPO should only be made where there is a compelling case in the public interest. It is necessary for the Council to demonstrate that they have taken reasonable steps to acquire all of the land and rights required by agreement.</p> <p>Compulsory purchase is intended as a last resort to secure the assembly of land needed for the implementation of projects. However, it is appropriate to commence the CPO process whilst negotiations are ongoing.</p>

		<p>When making a CPO local authorities should be sure that the purposes for which the CPO is made justify interfering with the human rights of those with an interest in the land affected. The Council also has to give due regard to its Equalities Duties in the exercise of its CPO powers.</p> <p>To assist the Council in the exercise of its CPO powers it has legal powers (section 16 Local Government (Miscellaneous Provisions) Act 1976 and/or section 5A Acquisition of Land Act 1981) to require owners and occupiers of the land affected to provide information about their ownership and/or occupation.</p> <p>At Appendix 2 is an indicative timetable setting out the key tasks that would follow and timescales involved following any final Cabinet decision to proceed with the making of a CPO.</p> <p>EH 8.7.21</p>
Other Impacts, Risks & Opportunities	Yes	<p>Whilst the use of CPO powers are to support Wrekin Housing Group with the acquisition of property interests, the responsibility for the CPO will remain with the Council. The Council will therefore work closely with Wrekin Housing Group in their discussions with third parties to ensure they are in accordance with CPO processes and procedures.</p> <p>The purchase of these remaining few property interests in a largely vacant residential area will support the delivery of new, fit for purpose, general needs housing and the regeneration of a key community</p>
Impact on Specific Wards / Key Decision	Yes	<p>This report has implications for the College Ward, Wellington with the replacing of outdated residential accommodation no longer meeting a housing need.</p>

PART B – ADDITIONAL INFORMATION

4.0 INFORMATION

- 4.1 The Council entered into a Get Building Fund (GBF) grant award from MHCLG in March 2021 to support local recovery from Covid-19, administered by the Marches Local Enterprise Partnership (LEP). The award of £2.38M was made to support the delivery of linked development proposals at New College and at Glebe Street/High Street, Wellington. A key requirement of the grant was the commitment to expenditure by the end of March 2022 with the identified outputs needing to be delivered in their entirety by the end of March 2025.
- 4.2 Approval to accept the grant was provided at Full Council on 26 November 2020 on the basis that acceptance would support the delivery of both elements of the proposals with the grant funding being used to:
- Address abnormal development costs associated with the brownfield nature of the sites including demolition, site clearance, service disconnections and remediation.
 - Support viability associated with low land values.
 - Deliver key infrastructure including reconfigured highway access, pedestrian links, infrastructure and utility upgrades.

- Address the requirements of Sport England associated with the relocation of sports pitches and the provision of community facilities.

The report noted that CPO powers may be needed to support delivery where third party interests could not be secured by Wrekin Housing Group (WHG) at Glebe Street/High Street.

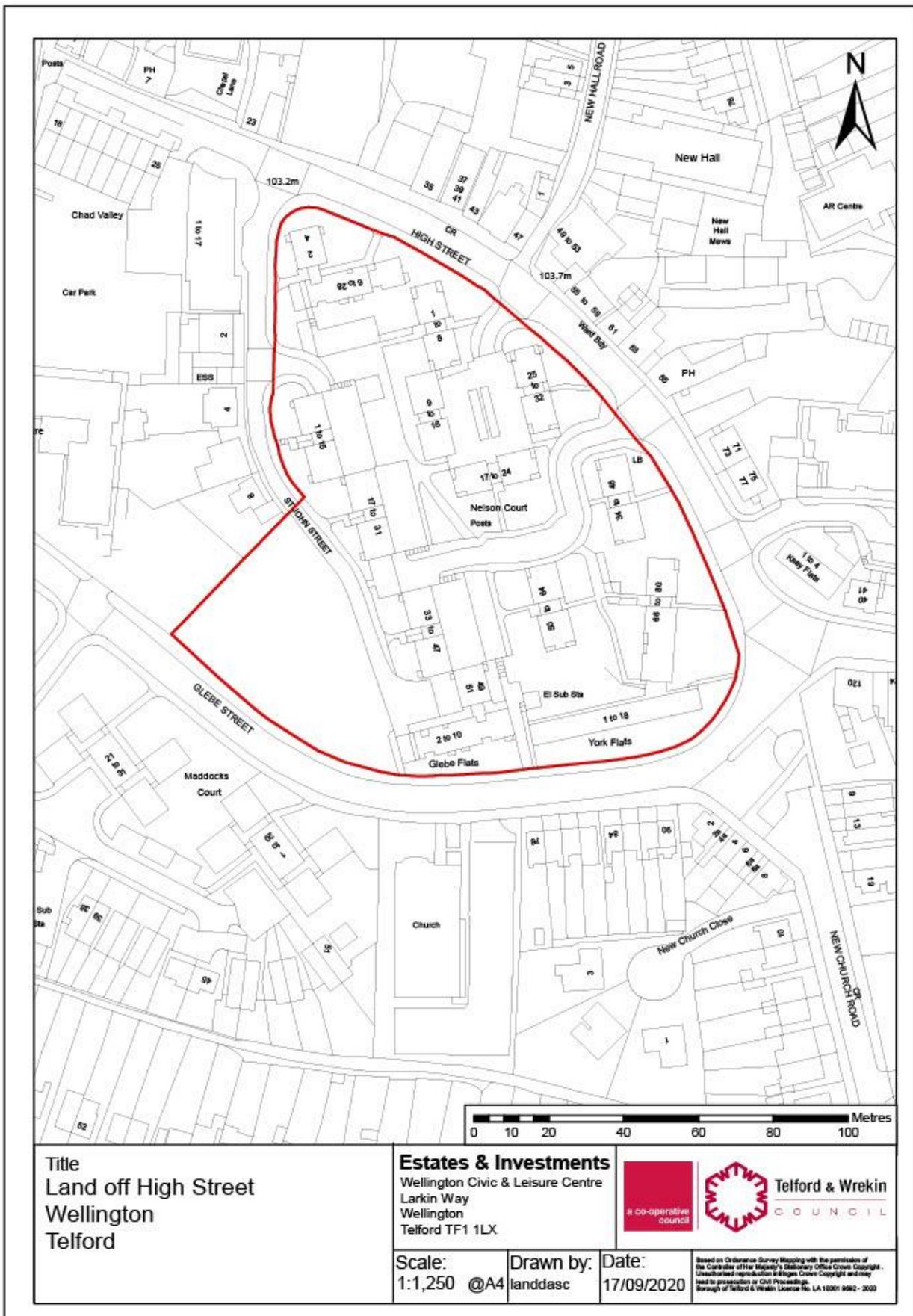
- 4.3 The WHG proposal at Glebe Street/High Street is the replacement of outdated accommodation (made up of Maisonettes and flats) and an estate design that no longer meets housing need. GBF gap funding was secured to support the cost of the demolition and clearance, land assembly and enabling works. WHG are leading on these redevelopment proposals and providing the match funding required to support the LEP grant award. £1.5M of the grant award is allocated to support the regeneration scheme which has the potential to deliver 70 new general needs and affordable housing properties for rent.
- 4.4 The flats affected by the WHG development proposals were previously owned by Telford and Wrekin Council and transferred to WHG as part of the wider transfer of housing stock in 1999. Whilst the majority of the flats remain in WHG ownership, a number of long leaseholds have been acquired under 'right to buy'. Whilst discussions are at an advanced stage with the majority of these owners, the Council has been approached by WHG for support with the use of compulsory purchase powers to assist in bringing these discussions to a conclusion.
- 4.5 WHG interests at Glebe Street/High Street 'complex' comprise a concentration of 130 poor quality flats/maisonettes with inherent design related defects affecting the roofs, drainage and fire safety issues. The development also requires significant levels of housing management due to anti-social behaviour and criminal activity which has increased over recent years. The complex was identified as in need of 'action' a number of years ago and WHG have been acquiring flats previously purchased under 'right to buy' when they have been available for sale. Following the grant funding award and with WHG Board approval in place to progress the development proposals, WHG have now secured vacant possession and ownership of 117 flats with only 13 long leasehold interests outstanding to acquire. Properties occupied by WHG tenants have been slowly vacated with tenants moving to other properties across the area within WHG's housing portfolio.
- 4.6 Whilst negotiations are still progressing with remaining leaseholders, due to the timescales of the grant award, WHG have formally approached the Council for the support of its CPO powers to assist with remaining property interests. Negotiations are ongoing, but there is a possibility that these properties will need to be acquired compulsorily if the land is to be assembled to allow the redevelopment to take place.
- 4.7 The Council is keen to support Wrekin Housing Group in bringing forward the redevelopment of the site and have appointed external solicitors (Freeths) to lead on the CPO providing joint advice to WHG and the Council. With the support of Freeths, a review of the discussions undertaken between WHG and remaining parties has been undertaken and whilst it's likely that agreement can be reached with all parties, the advice is to commence CPO proceedings in the background to add weight to discussions and mitigate the risk of delays to the delivery programme to enable contractual GBF outputs to be met.
- 4.8 There are 13 premises that remain to be acquired and the location of these premises fall within the boundaries of the plan of the Site at Appendix 1 to this decision.
- 4.9 The purposes of this decision is to authorise the exercise by the Council of its CPO powers so that it may take the necessary preliminary steps, including identifying all of those with interest in the land necessary to allow it to make a further decision, to be made by Cabinet, by way of a final decision, to authorise the making of a CPO in respect of the site.

Previous reports:

GET BUILDING FUND - NEW COLLEGE, WELLINGTON – Full Council – 26 November 2020

Report prepared by: Dawn Toy, Service Delivery Manager, Regeneration & Investment

Appendix 1



Title
Land off High Street
Wellington
Telford

Estates & Investments
Wellington Civic & Leisure Centre
Larkin Way
Wellington
Telford TF1 1LX



Telford & Wrekin
COUNCIL

Scale:
1:1,250 @A4

Drawn by:
landdasc

Date:
17/09/2020

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Appendix 2

Task	Overview	Indicative Timeframe
1) Post Cabinet Approval: CPO made, Notice of Making Served with the Statement of Reasons, Press Notices Published (local newspaper) and Site Notices posted on Site.	Notices will be served on all owners, leaseholders, tenants and occupiers of affected land as well as any party who may have the right to claim compensation. The CPO and other documents are also placed on deposit during the objection period that follows.	September 2021
2) Period for objections	Within the notices served, press notice and site notice, we will specify a time within which objections to the CPO can be made. This is a minimum of 21 days.	October 2021
3) Preparation of documents and submission to Secretary of State	Objections to the CPO are made direct to Secretary of State.	October 2021
4) Preparation and submission of Statement of Case (if required)	If valid objections are made it is likely the Secretary of State will require a Local Public Inquiry (CPO Inquiry) to be held presided over by an Inspector. On giving notice that an inquiry is to be held the Council will be required within 6 weeks to prepare and serve on all objectors its Statement of Case for making and seeking confirmation of the CPO	January 2022
5) CPO Local Public Inquiry (if required)	Following submission of the Statement of Case, the CPO Inquiry will be arranged. The Council and objectors will have the opportunity to put their case forward to the inspector by way of evidence presented in person. This is the most difficult time period to predict as it is down the availability of inspectors, their workload and the number of objections which all have an impact on timetabling.	June 2022
6) Post Inquiry	Following the CPO Inquiry the inspector (if delegated) or the Secretary of State will make the decision as to whether to confirm, confirm with modifications or decline to confirm the CPO.	September 2022
7) Post decision	If confirmed (with or without modifications) then CPO powers will be confirmed or granted to the Council. There then follows a maximum period of 3 years during which the powers must be exercised.	September 2022
8) Implementation stage	Prepare, establish and implement the General Vesting Declaration - this process takes around 4 months to complete to secure ownership of the land.	January 2023

**THE FOLLOWING DECISION HAS BEEN TAKEN UNDER:
PART 2 – DECISION MAKING: DELEGATIONS TO CHIEF OFFICERS
OF THE COUNCIL’S CONSTITUTION**

Decision maker:	James Dunn
Position:	Director of Prosperity & Investment
Decision in the matter of:	GET BUILDING FUND – STRONGER COMMUNITIES – USE OF COMPULSORY PURCHASE POWERS
Decision taken on:	19 July 2021

The Executive Director is aware of the decision taken.

DECISION:

Having considered the report of Dawn Toy, and having also consulted with Cllr David Wright, Cabinet Member for Economy, Housing, Transport and Infrastructure, I approve the following:

1. The exercise by the Council of its Compulsory Purchase Powers (CPO) to acquire under section 17 Housing Act 1985 for the purposes of bringing forward the comprehensive redevelopment of the Site (Appendix 1) for new and improved housing.
2. The exercise by the Council of its powers pursuant to section 16 Local Government (Miscellaneous Provisions) Act 1976 and/or section 5A Acquisition of Land Act 1981 to require owners and occupiers of the Site to provide information about their ownership or occupation.
3. The appointment (as required) of a firm of Land Referencing agents to carry out a land referencing exercise for the purposes of preparing a schedule of interests in the Site and a map both required for the purposes of making a CPO.

In accordance with the authority granted to me as a Chief Officer under the Constitution of the Council.



Signed: James Dunn, Director: Prosperity & Investment

Date: 19 July 2021