

ECONOMIC REGENERATION PROJECTS – ACQUISITION PROCESS REVISIONS

EXECUTIVE MEMBER: Cllr M Ashbrook
LEAD OFFICER: M Tichford
REPORT AUTHORS: B Kirkbride/C Boyce

Summary: To seek approval to suspend Contract Standing Order 21 in regard to designated Copeland Regeneration Programmes to facilitate the acquisition of land for redevelopment projects.

Recommendation:	That (a) a recommendation be made to Council that Contract Standing Order 21 is suspended and delegated to Officers for Regeneration Programmes as set out in paragraph 2.2 of his report; and (b) the position in respect of the Whitehaven Regeneration Programme be noted.
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Impact on delivering the Corporate Plan: The suspension of Contract Standing Order 21 will facilitate the acquisition of land for redevelopment projects and will aid the timescale for implementing regeneration in Whitehaven and help diversify the offer of Tourism and Recreation for Whitehaven.

Impact on other statutory objectives (e.g. crime & disorder, LA21): Implementation of the Whitehaven Regeneration Programme will address areas of brown field decline and will provide enhanced public open space. Improved public realm works will also aid the reduction of crime and disorder.

Financial and human resource implications: This report has no direct financial implications although the requirement to implement process revisions will require officer time at the point of acquisition.

Project & Risk Management: None with this report

Key Decision Status

- **Financial:** N/A
- **Ward:** N/A

Other Ward Implications: None

1. INTRODUCTION

- 1.1 Contract Standing Order ('CSO') 21 sets out various requirements regarding the acquisition of land. CSO 21.4 requires full Council to approve an acquisition for more than value; CSO 21.7 sets out various requirements regarding the conduct of negotiations; and CSO 21.8 states that land having a value of £100,000 or more shall not be sold or acquired unless 'at least one independent valuation from a suitably qualified person, not being the Valuer of the Council, is obtained; and the Council's Valuer approves that valuation'.

1.2 Recently the Council purchased on behalf of West Lakes Renaissance ('WLR') an area of land at Newtown for longer term regeneration activity. CSO 21 complicated the process and slowed the purchase. In order to comply with CSO 21 the Council's external valuer had to be appointed to value the property. To provide a valuation the valuer had to inspect the property thus making contact with the seller to gain access. This caused confusion, delayed the matter and resulted eventually in the valuer endorsing the original valuation.

2. ARGUMENT FOR CHANGE

2.1 CSO21 is designed to protect the Council when it is purchasing land from a private landowner. However in the case of this programme the Council is purchasing land on behalf of WLR who are funding the purchase and using their own valuer. Provided that WLR is providing all the purchase price and provided that WLR is satisfied that the price payable is proper then this should be sufficient for the Council to proceed. The price will often be negotiated and take into account land value and an element for early settlement as opposed to having to go through a CPO process. Obtaining a second value would be of limited use. If it came out £20k lower does the Partnership then go back and undo the agreed price with the seller even though their own valuer has said it is reasonable? Or is a third value called for?

2.2 It is recommended that where the Council is acquiring land (a) on behalf of a public grant funder who (b) is wholly funding the purchase price and (c) the land is part of a redevelopment project that CSOs, 21.2.2, 21.2.3, 21.7 and 21.8 are suspended and delegated authority be given to the Head of Legal Services and Head of Finance and Business Development for approval of acquisitions of all values so long as a professional valuation is obtained to confirm purchase price. The Regeneration Programmes for which this suspension is sought are:

- Whitehaven Town Centre
- Pow Beck Valley
- Haig Colliery Site
- Egremont Market Town Initiative
- Millom Market Town Initiative

3. COMPULSORY PURCHASE POWERS

3.1 Paragraph 2 will apply to where agreement is reached with a land owner. Sometimes agreement will not be achieved by negotiation and it becomes necessary to purchase the land compulsorily. Sometimes it may be conducive to start the compulsory purchase procedure in parallel to negotiations. This saves time in the longer run and provides a clear signal to the land owner of the Council's intention. In all respect the Council will be required to comply with ODPM Circular 06/2004 which sets out substantive provisions as to how compulsory purchase orders should be approached. The Council has various powers to make such purchases the most common one used being under the Town and Country Planning Act 1990 for redevelopment purposes.

3.2 As part of the Whitehaven Regeneration Programme WLR are continuing to negotiate with landowners for the purchase of land. It has been identified however that there may be occasions where negotiations to acquire key sites may fail. This could arise shortly. If this is the case the Council has the opportunity of making a case for compulsory purchase.

3.3 Any decision to seek the Council to utilise its powers for compulsory purchase will be considered on a site by site basis subject to a clear justification being made and endorsement that the Local Development Framework would support such an approach being made.

3.4 Any sites that may be required to be purchased in this manner will be presented to the Executive for consideration at the relevant time.

4 CONCLUSIONS

4.1 The proposals to suspend Contract Standing Orders and to consider utilising compulsory purchase powers in regard to the Whitehaven Regeneration Programme will assist the acquisition process and enable implementation to be moved forward in a shorter timescale.

List of Appendices

Appendix A None

List of Background Documents:

Contract Standing Orders

List of Consultees:

Corporate Team, Clinton Boyce, Chris
Lloyd, Graham McWilliams, Paul
Robson, Graham McWilliams