

<b>TITLE</b>	<b>In Principle Use of Compulsory Purchase Powers</b>
<b>FOR CONSIDERATION BY</b>	The Executive on 30 June 2016
<b>WARD</b>	None specific
<b>DIRECTOR</b>	Heather Thwaites, Director of Environment
<b>LEAD MEMBER</b>	Mark Ashwell, Executive Member for Planning and Regeneration

## **OUTCOME / BENEFITS TO THE COMMUNITY**

The construction of infrastructure schemes is necessary to support comprehensive development within the SDLs.

The in principle authority to use statutory powers of compulsory purchase to acquire land which could not be purchased through agreement will require further dedicated authority which identifies inter alia the land, the interests over land, the related statutory powers to acquire by compulsory purchase and where appropriate indemnity agreements with developers to indemnify the Council against all costs relating to the CPO process, including inter alia public inquiry costs and acquisition/compensation costs.

## **RECOMMENDATION**

It is recommended that Executive:

- 1) note that the Service Manager Strategic Property is to discuss the acquisition of land for the implementation of the infrastructure necessary facilitate the development of the strategic development locations and that the final details negotiated (area and values etc.) will be reported back to Executive;
- 2) agree in principle that in default of agreed acquisition, appropriate statutory powers be used to deliver comprehensive planning development of the SDLs;
- 3) note that this recommendation is subject to referral back to Executive at the appropriate time for detailed authority setting out inter alia:
  - a) details of the appropriate enabling statutory powers of compulsory acquisition,
  - b) areas and value of land to be acquired compulsorily,
  - c) areas of land over which interests are to be acquired; and
  - d) where appropriate indemnity agreements with developers to indemnify the Council against all costs relating to the CPO process, including inter alia public inquiry costs and acquisition/compensation costs.

## **SUMMARY OF REPORT**

The in principle authority to use appropriate statutory compulsory purchase powers to acquire land to construct and deliver infrastructure schemes within the SDLs (in the absence of agreed acquisition) is part of the Council's strategy to meet the housing need identified in the Core Strategy. New infrastructure required to support the comprehensive planned development of SDLs will require land acquisition. If land

required to enable the SDLs cannot be acquired by agreement then in principle authorisation to use of compulsory powers is required subject to further authorisation specifying amongst other things, the details of the statutory powers, the land to be acquired, required rights over the land, severance issues, statement of reasons and where appropriate indemnity agreements with developers to indemnify the Council against all costs relating to the CPO process, including inter alia public inquiry costs and acquisition/compensation costs.

Further detailed authorisation will be required once the design of the infrastructure scheme has been completed to determine amongst other things the location and extent of land required for the roads and associated flood mitigation, site compounds etc., and the Service Manager Strategic Property has undertaken negotiations to acquire land necessary to deliver the schemes. There are areas of land that will be required the title to which has not been registered at HM Land Registry and it is therefore likely that these interests to the extent they are required to deliver the SDLs will be subject to compulsory purchase powers.

## Background

The Wokingham Borough Core Strategy (policies CP17 - CP21) establishes a requirement for at least 13,500 new homes in the in the period to 2026. The majority of these are to be delivered in four Strategic Development Locations (shown on the attached plan) two of which – North and South Wokingham - are extensions to the town of Wokingham. The rationale for this approach is to achieve comprehensively planned development with the infrastructure required to support it. A series of Supplementary Planning Documents (SPDs) sets out the spatial planning framework for each SDL, with a separate Infrastructure and Contributions SPD establishing the infrastructure requirements.

Subject to authorisation the Service Manager Strategic Property will negotiate to acquire by agreement the land required, in default of agreement any land required may then be acquired by Compulsory Purchase Order (CPO) subject to a further dedicated and detailed Executive authorisation.

Transport modelling and site survey and investigation carried out in advance of any CPO being confirmed will assist in determining the land to be acquired. Subject to further site specific authorisation, the CPO process for infrastructure schemes required to deliver comprehensive planning development within the SDLs can be progressed.

## Analysis of Issues

It has become clear that to enable effective delivery of our strategic sites there is a need for there to be clarity about the Council's appetite to pursue all options available to secure the infrastructure necessary. It is considered that this would assist with negotiation through the process of acquisition. This report sets out our normal stance in that we will initially establish contact with affected land owners and as these are established we will seek to secure acquisition through negotiation as with Gray's Fruit Farm and Pebblestone Cottage. As yet we have not needed to refer to CPO powers, though it is considered that as a precautionary measure and to assist with discussion a resolution to show a willingness to follow all available options is appropriate.

In advance of the confirmation by the Secretary of State of any Compulsory Purchase Order officers will use their statutory powers to enter land for the purpose of investigation and survey. This will inform the modelling and design required for infrastructure schemes and negotiations to acquire by agreement. Where it is not possible following negotiation to acquire land by agreement or the ownership of land cannot be ascertained the Council may need to use its statutory powers to compulsorily acquire.

The funding of the CPO process including public inquiry (if required) and acquisition/compensation costs will where appropriate be funded by developers through indemnity agreements or otherwise inter alia through funding streams including Community Infrastructure Levy and central government grant.

## FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

***The Council faces severe financial challenges over the coming years as a result of the austerity measures implemented by the Government and subsequent reductions to public sector funding. It is estimated that Wokingham Borough***

***Council will be required to make budget reductions in excess of £20m over the next three years and all Executive decisions should be made in this context.***

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	Nil at this stage	Within budget	Within budget
Next Financial Year (Year 2)	Subject to further detailed report/s	Subject to further detailed report/s	Subject to further detailed report/s
Following Financial Year (Year 3)	Subject to further detailed report/s	Subject to further detailed report/s	Subject to further detailed report/s

#### **Other financial information relevant to the Recommendation/Decision**

This is an in principle decision to authorise negotiation for acquisition by agreement of land required for comprehensive planning development within the SDLs and to agree if necessary to use of compulsory purchase powers subject to a further authority which will set out the financial implications. There are currently no costs which are not covered by existing budgets at this stage.

Going forward, estimated land & property costs are budgeted for in the medium term financial plan and 10 year vision though actual acquisition costs either by agreement or statutory powers will need to be determined on an individual basis.

It is not therefore possible at this point to set out the future financial implications as the exact extent of land to be acquired and interests over land has yet to be determined.

#### **Cross-Council Implications**

The use of compulsory purchase powers will require resources within planning, highways and transport, property and legal services.

#### **List of Background Papers**

Plan of SDLs

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