

<b>TITLE</b>	<b>Delivering the Gorse Ride Regeneration Project - Compulsory Purchase Order</b>
<b>FOR CONSIDERATION BY</b>	The Executive on Thursday, 31 March 2022
<b>WARD</b>	Finchampstead South;
<b>LEAD OFFICER</b>	Deputy Chief Executive - Graham Ebers
<b>LEAD MEMBER</b>	Executive Member for Finance and Housing - John Kaiser

## **PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)**

The regeneration of Gorse Ride is supported by the planning and corporate policies of the Council and is a key part of the Council's housing strategy. The use of compulsory purchase powers will enable all necessary land interests to be acquired to secure the delivery of the regeneration of Gorse Ride and the consequential benefits to the local community.

In January 2019, the Executive approved in principle the use of compulsory purchase powers to acquire the land at Gorse Ride and granted authority to start the process to make a CPO, including the appointment of legal representatives and the preparation of all necessary documentation.

In January 2021, the Executive approved the making of the CPO and granted authority to take all necessary steps to secure the land in required to deliver the planning consent.

This report updates the Executive on the progress made since this date, the outcome of the CPO and seeks authority from the Executive to proceed with making a second CPO.

## **RECOMMENDATION**

That the Executive:

- 1) agrees that the Council should make a new compulsory purchase order ("CPO") to acquire the land as shown indicatively edged red on the plan at Appendix 1 of this report ("the Land") required to deliver the proposed regeneration of land known as land at Gorse Ride South, Finchampstead, Wokingham ("the Site") pursuant to section 226(1)(a) of the Town and Country Planning Act 1990 (as amended) ("the 1990 Act") because it considers that:
  - a. the acquisition of the Land will facilitate the carrying out of the development, redevelopment or improvement of the site.
  - b. the development, redevelopment or improvement of the site is likely to contribute to the achievement of any one or more of the promotion or improvement of the economic, social and environmental well-being of the borough of Wokingham; and

- c. there is a compelling case in the public interest for the CPO.
- 2) agrees to authorise the Deputy Chief Executive, in consultation with the Executive Member for Housing and Finance, to:
- a. take all necessary steps in relation to the Land to secure the making, the confirmation and the implementation of the CPO including publication and service of all relevant notices and the presentation of the Council's case at any Public Inquiry; and
  - b. approve terms for the acquisition of legal interests (including rights if required) by agreement including for the purposes of resolving any objections to the CPO.

## **EXECUTIVE SUMMARY**

The purpose of this report is to update the Executive on the outcome of the initial CPO and to request approval for the Executive to making of a second CPO to achieve the regeneration of the site, being the Council's largest housing estate within the Borough.

The Gorse Ride regeneration project is a flagship scheme in the Council's response to the housing crisis, providing more and better affordable housing. The project recognises the value a thriving community can make to a successful housing regeneration project, by working collaboratively with the residents to ensure that the sense of community is preserved through a proactive engagement process.

The provision of well-planned and good quality affordable housing has never been more important. Data on a national and local level shows that homelessness is on the increase, with an escalating demand for temporary accommodation not only impacting the Council's future temporary accommodation budgets but having a major effect on those residents whose lives are disrupted by not having a stable and secure home. Meanwhile increasing house prices in Wokingham Borough continue to make home ownership unaffordable for many.

Whilst the Council intends to continue to endeavour to acquire the outstanding land interests by agreement, it considers the use of compulsory purchase powers to be appropriate and in accordance with national and local policy.

The Executive approved the "in principle" use of compulsory purchase powers in respect of the site in January 2019. Since then, alongside attempts to acquire by agreement, work has been carried out to finalise the proposals for development and identify all land interests required to delivery regeneration of the site and to prepare the necessary CPO documentation.

In January 2021, the Executive approved the making of a CPO and the Council formally made the CPO in February 2021. Five objections were received in respect of the CPO and the CPO was referred to the Secretary of State for confirmation. The Secretary of State appointed an Inspector to consider the objections by way of the written representations process. Representations were made by both the Council and the objectors to the Inspector and the Inspector visited the site in November 2021. An agreement was secured with one objector, Southern Gas Networks, leaving four

objections outstanding. The Inspector made his decision on the 17<sup>th</sup> November 2021 that the CPO should not be confirmed on the grounds that he was not satisfied that the Council had demonstrated a compelling case in the public interest for the CPO.

The Council has throughout continued to try and acquire all properties within Gorse Ride by agreement and has successfully secured 31 properties across the development. The Council have agreed sales on all of the properties in phase 2A (two of which are in conveyancing) and there are now only eight remaining in private ownership in Phase 2b and 2c. It remains necessary to acquire these properties to fully deliver the regeneration of Gorse Ride and, whilst the Council will continue to try and acquire them by agreement, it is mindful that if negotiations are not successful then there remains a risk to the delivery of the project, resulting in delay and adding to costs. To mitigate against this risk, it is recommended that the Executive approve the making of a new CPO alongside continuing negotiations with homeowners to purchase the remaining properties.

## **BACKGROUND**

The Executive, at its meeting on 31 January 2019, considered the recommendations of the Executive Member for Health and Wellbeing, Adult Social Care and Housing and approved the in-principle making of a CPO to acquire the necessary land interests to facilitate the regeneration of the Site.

The Executive also authorised the Director of Corporate Services, in consultation with the Executive Members with responsibility for Housing and Finance, to take all necessary steps required for the making, confirmation and implementation of a CPO, including securing the appointment of an external specialist CPO adviser to prepare all necessary documents required to support this process, including a Statement of Reasons and requisite statutory notices.

Following the Executive decision in January 2019, the Council carried out a detailed land referencing exercise which identified the land interests that needed to be included in the CPO. In addition, significant progress was made in preparing the CPO documentation, including the Statement of Reasons required for setting out the Council's rationale for making the CPO.

In October 2019, Gowlings WLG (UK) LLP was successful in being awarded the tender for the provision of a Specialist Compulsory Purchase Adviser / Lawyer / Firm for delivery of the Gorse Ride Estate Regeneration Project for the Council.

From March 2020 to August 2020, the negotiations to purchase properties at Gorse Ride were paused due to Covid restrictions. As per the government guidelines, the Council's valuers were unable to visit properties to carry out valuations and homeowners had difficulty viewing properties on the open market. The property market slowed and as a result so did negotiations.

During this time the project team continued to work on the planning application and this was submitted in August 2020.

A report was presented to the Executive, at its meeting on 31 January 2021 and approval was granted to make the CPO to acquire all necessary land interests within the site, and following confirmation of the CPO, to appropriate the site for planning purposes.

In parallel with the CPO, officers agreed to continue to seek to acquire all necessary land interests by agreement; and apply for an order pursuant to section 247 of the 1990 Act to stop up highway within the Site to facilitate delivery of the Scheme.

The scheme was granted planning approval in February 2021. This reflected the longstanding corporate and planning objective of the Council to secure regeneration of the site. The regeneration and the planning permission secured for it is supported by national and local planning policy.

The Council formally made the CPO in February 2021. Notice of the making of the CPO was sent to categories of "qualifying persons", namely owners, lessees, tenants and occupiers and published in the local newspaper.

In March 2021, five objections to the CPO were received and an Inspector was appointed by the Secretary of State to consider them.

In April 2021, the Inspector proposed to all parties that a decision would be made via the written representation process. This was in part due to the pandemic and government restrictions surrounding the holding of physical Public Inquiries. Gowlings advised that the written representations process would be cheaper and quicker than a full Public Inquiry so, on the basis of this advice, the Council did not object to the use of the written representations process. The objectors also did not object to written representations.

The timeline can be summarised as follows:

24/02/21	CPO made by the Council
23/03/21	5 objections received
19/04/21	Written Representations proposed
11/5/21	Written Representations started
26/05/21	Written Representations due to be submitted by objectors
04/06/21	Written Representations re-started due to an administrative error by the Inspector
11/06/21	Southern Gas Networks (SGN) agreed to written representations
21/06/21	SGN withdrew objection
05/07/21	Representation from the objectors made by this date
19/07/21	Representation from the objectors – extension of time granted by the Inspector
30/07/21	Dates provided for the Site Visit (earliest date w/c 1/11/21)
04/08/21	Further representations made by the Council
03/11/21	Site Visit by the Inspector (no further representations by either party)
17/11/21	Decision issued – CPO not confirmed

The five formal objections made to the CPO can be summarised as follows

Objector 1 & 2

- No serious attempt to compensate owners
- Querying progress to date on agreeing sales
- The Council has run down the estate in order to purchase the properties at a reduced price
- No evidence that the Council have considered improving remaining housing stock
- No evidence that refurbishment is inefficient or unviable

Objector 3 & 4

- Properties are perfectly habitable and in good order
- Statements made by the Council have not been substantiated
- The Council has failed to invest in communal areas or individual properties
- The proposed development is significantly higher density
- Purchasing properties on a negative basis

## Objector 5 – SGN

- SGN wishes to protect its position as it owns existing apparatus within and in the vicinity of the proposed CPO boundaries
- SGN's rights to retain its infrastructure in situ and rights of access to inspect, repair and renew within the limits of the CPO must be maintained at all times and access must not be restricted.

The objection from SGN was withdrawn on 21st June 2021 as the Council entered into an Asset Protection Agreement with SGN to provide a new Gas Governor site and to grant an easement(s) in respect of any new runs required to service the provision of gas supplies to the new properties.

### **Inspector's Report**

On 17 November 2021, the Inspector made his decision not to confirm the CPO on the grounds that:

- a.) The sustainability benefits claimed by the Council were not substantiated.
- b.) The Council had not shown that the demolition of the existing properties is the only or best way to achieve those benefits; or
- c.) That inclusion of the objector's properties is necessary.

The Inspector concludes that the task of demonstrating a compelling case therefore falls not on the objectors, but firmly on the Acquiring Authority.

A copy of the Inspector's report is in Appendix 2.

## **BUSINESS CASE**

### **The Case for Compulsory Acquisition**

As set out above, regeneration of the site has been a longstanding corporate and planning policy objective of the Council. The regeneration of the site by delivery of the scheme for which planning permission has been secured will deliver new housing, and social, economic and environmental benefits for the Council's residents and the area of Gorse Ride.

The Council has sought over the last four years to assemble land ownership of the site and has been successful in securing control of a large part of the freehold interest in the site, including the acquisition of 31 freehold properties. These are listed below.

1. 2 Firs Close Finchampstead, Wokingham, RG40 4JQ
2. 3 Firs Close Finchampstead, Wokingham, RG40 4JQ
3. 4 Firs Close Finchampstead, Wokingham, RG40 4JQ
4. 14 Firs Close Finchampstead, Wokingham, RG40 4JQ
5. 17 Firs Close Finchampstead, Wokingham, RG40 4JQ
6. 18 Firs Close Finchampstead, Wokingham, RG40 4JQ

7. 21 Firs Close Finchampstead, Wokingham, RG40 4JQ
8. 22 Firs Close Finchampstead, Wokingham, RG40 4JQ
9. 23 Firs Close Finchampstead, Wokingham, RG40 4JQ
- 10.29 Firs Close Finchampstead, Wokingham, RG40 4JQ
- 11.2 Dart Close Finchampstead, Wokingham, RG40 4JG
- 12.6 Dart Close Finchampstead, Wokingham, RG40 4JG
- 13.8 Dart Close Finchampstead, Wokingham, RG40 4JG
- 14.9 Dart Close Finchampstead, Wokingham, RG40 4JG
- 15.11 Dart Close Finchampstead, Wokingham RG40 4JG
- 16.18 Dart Close Finchampstead, Wokingham, RG40 4JG
- 17.19 Dart Close Finchampstead, Wokingham, RG40 4JG
- 18.22 Dart Close Finchampstead, Wokingham, RG40 4JG
- 19.5 Orbit Close Finchampstead, Wokingham, RG40 4JF
- 20.6 Orbit Close Finchampstead, Wokingham, RG40 4JF
- 21.14 Orbit Close Finchampstead, Wokingham, RG40 4JF
- 22.23 Orbit Close Finchampstead, Wokingham, RG40 4JF
- 23.24 Orbit Close Finchampstead, Wokingham RG40 4JF
- 24.28 Orbit Close Finchampstead, Wokingham, RG40 4JF
- 25.18 Whittle Close Finchampstead, Wokingham, RG40 4JH
- 26.4 Whittle Close Finchampstead, Wokingham, RG40 4JF
- 27.5 Billing Avenue Finchampstead, Wokingham RG40 4JE
- 28.15 Billing Avenue Finchampstead, Wokingham RG40 4JE
- 29.22 Gorse Ride South Finchampstead, Wokingham RG40 4EH
- 30.24 Gorse Ride South Finchampstead, Wokingham RG40 4EH
- 31.30 Gorse Ride South Finchampstead, Wokingham RG40 4EH

The Council has through extensive negotiations acquired all 31 properties within Gorse Ride by agreement and there is on-going engagement with the remaining homeowners. The Council have agreed sales on all of the remaining properties in phase 2a (two of which are in conveyancing) and there are now only eight properties remaining in private ownership in Phase 2b and 2c. The Council will continue to negotiate with the last remaining homeowners to try to acquire or secure controls of these interest following any resolution to make a CPO and the making of any CPO.

For a number of the outstanding interests, an 'in-principle' agreement has been reached with the freeholder as to the acquisition of their interest but the legal contracts have not been exchanged at the time of writing this report. Therefore, whilst it is anticipated that the interest will be acquired by negotiation, they are included in the CPO in case the Council does need to utilise these powers. The schedule in Part 2 of this report lists in more detail the status of these negotiations. In the event that the acquisition of a property is concluded before the CPO is made then it can be removed from the CPO

The Council is committed to acquiring all interests in the Site through negotiation in the first instance and is engaged with the majority of the freeholders of outstanding interests as to the acquisition of their properties. As part of the negotiation process the Council is supporting homeowners with their relocation through a number of ways. This includes a payment of a home loss payment (10% of the value of their home) plus disturbance payments which include refunding of removals service, legal fees, mortgage redemption fees and mail redirection. The Council has also set up an equity loan scheme through Loddon Homes Limited ("LHL") to assist eligible homeowners to acquire a new property by bridging the gap between property values in Gorse Ride compared to other areas of the Borough and beyond. The loan is offered for up to 49% of the property value, up to a

maximum of £150,000. The loan period is unlimited, there is no interest to pay and residents only need to pay the loan back when they sell the property. There is also no rental amount to pay.

In determining whether to proceed with compulsory acquisition, the Executive is reminded that, for those directly affected, there will be interference with convention rights incorporated into law by the Human Rights Act 1998. The Council is satisfied that the harm to these rights is justified by the public benefits which will be secured by the scheme. The Council will however take all necessary steps to minimise the effect of such interference so that it is proportionate and necessary for the implementation of any authorised compulsory acquisition.

The Council considers that the inability of the Council to secure the outstanding land interests in the site will have the effect of delaying the regeneration of the site and delivery of the consequential benefits to the social, economic and environmental wellbeing of the area.

The Council accordingly considers that there is a compelling case in the public interest for the Council to exercise compulsory purchase powers as proposed in this report.

### **Land Proposed for Compulsory Acquisition**

The land required for regeneration of the site and proposed for compulsory acquisition is indicatively identified edged red on the plan at Appendix 1 of this report. The draft plan is in the process of being finalised as the land referencing process to identify all interests in the site required to deliver the scheme is completed. It comprises of the following properties:

1. 6 Firs Close, Finchampstead, Wokingham, RG40 4JQ
2. 10 Dart Close, Finchampstead, Wokingham RG40 4JG
3. 9 Orbit Close, Finchampstead, Wokingham, RG40 4JF
4. 11 Orbit Close, Finchampstead, Wokingham, RG40 4JF
5. 15 Orbit Close, Finchampstead, Wokingham, RG40 4JF
6. 8 Billing Avenue Finchampstead, Wokingham, RG40 4JE
7. 9 Billing Avenue Finchampstead, Wokingham, RG40 4JE
8. 10 Billing Avenue Finchampstead, Wokingham, RG40 4JE
9. 11 Billing Avenue Finchampstead, Wokingham, RG40 4JE
10. 26 Gorse Ride South Finchampstead, Wokingham, RG40 4EH
11. Electricity substations at Whittle Close, Orbit Close, Dart Close and Firs Close, Finchampstead, Wokingham
12. Gas governor at Whittle Close, Finchampstead, Wokingham, RG40 4JQ
13. Any unregistered land in uncertain ownership, including subsoil under existing footpaths.

### **Making a New CPO**

In making a CPO there is always a risk that the CPO will not be made. Gowlings have advised on the risks and confirmed what evidence was submitted to the Inspector to mitigate the risk of the CPO not being made.

A copy of their outturn report is in Part 2 of the report as it contains sensitive personal information relating to individuals as well as financial information in connection to



negotiations between the Council and individual owners regarding the acquisition of their property. As such therefore the information in that Appendix is exempt under paragraphs 1 and 3 of Schedule 12A of the Local Government Act 1972.

## **Financial Implications**

The Council has committed to funding the regeneration of the site and delivery of the scheme. This includes all planning, design, site assembly and construction costs.

In May 2018, the Executive approved the funding model for the Gorse Ride scheme which had a budget of £17.4m for buy backs. A paper presented to Executive on 17 February 2022 provided an update figure of £17.5m for all costs associate with the site assembly such as property acquisition, equity loans, home loss payments, relocation costs and CPO fees.

Further financial information including the current expenditure to date is contained in Part 2 of this report. These cannot be published publicly as they are commercial sensitive and would undermine the Council's position in negotiating with individual homeowners.

If a new CPO is made, it is recommended that the Council seek a Public Inquiry for the reasons given in Gowlings report. This may increase the cost but should reduce the risk of a similar decision by the Planning Inspectorate with the Council being unable to challenge objectors' evidence or clarify its own case.

## **The CPO**

The Council has sought for some time to assemble land ownership of the site. A large number of interests have already been acquired but it has not been possible to secure every interest. The Council considers that the inability to acquire all necessary land interests by agreement is likely to delay regeneration of the site.

Having regard to the advice in 'Compulsory purchase process and the Crichel Down Rules: guidance' (July 2019) ("the Guidance"), the Council considers it appropriate to make a CPO to acquire any outstanding land interests. In particular, the Guidance recognises that compulsory purchase is an important tool to use as a means of assembling the land needed to help deliver social and economic change and encourages local authorities to consider using their compulsory purchase powers in a proactive way to ensure that benefits are secured for communities without delay.

If the Executive endorses the recommendation set out in this report then the Council proposes to:

- Make the CPO to acquire all necessary land interests within the site, and following confirmation of the CPO, appropriate the site for the approved planning purposes;
- In parallel with the CPO, continue to seek to acquire all necessary land interests by agreement; and

An Order pursuant to section 247 of the 1990 Act to stop up highway within the site to facilitate delivery of the scheme was approved in November 2021. No objections were made to this order.

## Use of Compulsory Purchase Powers

The Council has the power in section 226 of the Act to make a CPO for any land within the Borough if the Council thinks that the purchase of the land will facilitate the carrying out of development, redevelopment or improvement on or in relation to the land.

Pursuant to section 226 of the 1990 Act, the Council may not exercise this power unless it thinks that the development, redevelopment or improvement is likely to contribute to the achievement of any one or more of the following objectives:

- The promotion or improvement of the economic well-being of their area;
- The promotion or improvement of the social well-being of their area;
- The promotion or improvement of the environmental well-being of their area.

In deciding to use this power to make a CPO, the Council has had regard to all other available compulsory purchase powers, including section 17 of the Housing Act 1985, which authorises the acquisition of land for housing purposes. The Council has chosen to utilise its power in section 226 of the 1990 Act because it considers that the regeneration of the site will deliver wider regeneration benefits to the community and the locality, than just the provision of housing. The Council has had regard to the advice on acquiring land for housing purposes by compulsory purchase as set out in the Guidance.

The guidance provides advice to acquiring authorities in England on the use of CPO powers. Paragraph 1 states:

*"Compulsory purchase powers are an important tool to use as a means of assembling the land needed to help deliver social, environmental and economic change. Used properly, they can contribute towards effective and efficient urban and rural regeneration, essential infrastructure, the revitalisation of communities, and the promotion of business – leading to improvements in quality of life"*

Importantly the guidance requires that a CPO should only be made where there is a compelling case in the public interest (paragraph 2 of the guidance).

Particular guidance on orders made by local authorities under section 226 is contained in Section 1 of Tier 2 of the guidance. Paragraph 95 states:

*"This power is intended to provide a positive tool to help acquiring authorities with planning powers to assemble land where this is necessary to implement proposals in their Local Plan or where strong planning justifications for the use of the power exist. It is expressed in wide terms and can therefore be used to assemble land for regeneration and other schemes where the range of activities or purposes proposed mean that no other single specific compulsory purchase power would be appropriate"*

A CPO to which there are objections will require confirmation by the Secretary of State to become effective. The guidance, at paragraph 106, provides that any decision by the Secretary of State about whether to confirm a CPO made under section 226 will be made on its own merit but the factors which the Secretary of State can be expected to consider include:

- *"Whether the purpose for which the land is being acquired fits 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;*
- *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;*

*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;*
- *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 guidance also requires the Council to have regard to the following when considering making a CPO:

- *That the purposes for which the compulsory purchase order is made justifies interfering with the human rights of those with an interest in the land affected;*
- *Whether the scheme is likely to be blocked by any physical or legal impediments to implementation, including the programming of any infrastructure accommodation works or remedial works that may be required and any need for planning permission or other consents.*

The guidance looks to acquiring authorities to seek to acquire land by agreement wherever practicable. However, the guidance recognises, at paragraph 17, that it may be sensible for acquiring authorities to start formal CPO procedures in parallel with their efforts to acquire by agreement. The guidance notes that undertaking negotiations in parallel can help to build a good working relationship with those affected by the scheme and can help to save time at the formal objection stage by minimising the fear that can arise from misunderstandings.

In the making of the CPO, the guidance encourages acquiring authorities to offer those concerned about a CPO access to alternative dispute resolution techniques where appropriate.

In considering the case for the CPO, the Council has also had regard to the advice in the guidance on the making of a CPO to acquire land for housing purposes pursuant to section 17 of the Housing Act 1980 relating to the compulsory purchase of land, houses or other properties for the provision of housing accommodation to achieve a quantitative or qualitative housing gain.

## Timetable for Progress

### *Making the CPO*

In the event that the Executive approves the recommendation to make a new CPO, it is proposed that the CPO will be made in Spring 2022.

Notice of the making of the CPO will be given to categories of “qualifying persons”, namely owners, lessees, tenants and occupiers and published in the local newspaper.

The timetable thereafter will depend on whether any objections are made to the CPO and the nature and scope of those objections.

If no objections are received to the CPO then the CPO can immediately be confirmed and implemented subject to compliance with all statutory requirements.

If objections are received then the Council will work to secure removal of those objections. If the objections cannot be resolved within a reasonable timescale, it is anticipated that the Secretary of State will arrange for a Public Inquiry to be held to consider any outstanding objections.

It is envisaged that any Public Inquiry would be arranged for December 2022, with a decision being reached by the Secretary of State by spring of 2023.

March 2022	Report to Executive	
April 2022	Make the CPO	
May 2022	Objection period (at least 21 days)	
June 2022	Review objections	
June – July 2022	Decision from Planning Inspectorate on procedure to deal with the objections	
July 2022	Council provides its Statement of Case	
August – November 2022	Public Inquiry	Written Representations
	Preparation for Public Inquiry	Council provides its written representations in response to objections
	Exchange proofs of evidence	Objector's provide their written representations
December 2022	Public Inquiry (length dependent on number of objections)	Council's right of reply

January – February 2023	Decision
March – May 2023	Implementation of the CPO and vesting of any land

### *Implementing the CPO*

The Scheme is divided into three phases.

Phase	Properties Purchased by the Council	Remaining properties	No. of properties to be demolished	No. of properties to be built	Construction programme
2a	19	2	32 (46 demolished)	100	2022-2024
2b	6	6	49	94	2024-2026
2c	6	2	51	55	2026-2028

The Council has three years to implement the CPO from notice of confirmation of the CPO being given.

The Council has started the demolition of Phase 2a and it is anticipated that the main contractor will start the construction of the new development in Summer 2022.

The Council will continue to seek to acquire interests in Phases 2b and 2c by negotiation. However the Council is committed to acquiring all interests in the site, including those interests in Phases 2b and 2c within 3 years of confirmation of the CPO.

These acquisitions would be ahead of the anticipated construction programme for these phases but it would mitigate the most significant risk around site assembly and could potentially allow Phases 2b and 2c to be constructed earlier than the anticipated programme.

An earlier construction programme for the later phases would improve the efficiency of the construction, particularly around allowing earlier work on utilities and reducing the need and length of time for temporary connections. It would also reduce the uncertainty for residents in later phases and reduce the time there was disruption to their lives through the construction programme.

### **FINANCIAL IMPLICATIONS OF THE RECOMMENDATION**

***The Council faces severe funding pressures, particularly in the face of the COVID-19 crisis. It is therefore imperative that Council resources are focused on the vulnerable and on its highest priorities.***

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	£0	N/A	
Next Financial Year (Year 2)	See Part 2	Yes	See menu of funding steams in the Executive report dated 17 <sup>th</sup> February 2022
Following Financial Year (Year 3)	£0	N/A	

### **Other Financial Information**

Funding for the Gorse Ride regeneration project is included within the Council's published Medium Term Financial Plan. The published figures include all regeneration activity - including planning and design, site assembly and construction.

Budget figures specifically related to property acquisition, including the CPO process, cannot be published publicly as they are commercially sensitive and would undermine the Council's position in negotiating with individual homeowners.

The estimated costs for site assembly, including all procedural costs for the CPO (counsel, legal, Public Inquiry costs, and relevant compensation costs) are however on budget and within the budgets currently approved for the Gorse Ride regeneration project.

### **Stakeholder Considerations and Consultation**

A Community Steering Group was set up in October 2017 to involve the community in the design and implementation of the regeneration of the site. This group continues to meet monthly and includes residents from the regeneration area. The Steering Group is kept informed of the site assembly process as it progresses.

The Council has a dedicated Community Regeneration Specialist for the scheme who deals directly with affected residents and offers assistance to guide them through the property acquisition and relocation process. A specific meeting to address the concerns of owners was also held in March 2018 and FAQ documents produced to provide detailed information about the regeneration scheme and relocation options for residents. Residents are regularly kept informed of the relevant stage in the process through letter, phone calls and 1:1 sessions and a temporary community hub has been established in one of the existing vacated properties yet to be demolished.

1:1 consultation sessions are held regularly with Council tenants within the site to ensure that suitable, alternative accommodation is identified and provided as soon as possible.

Legislation and regulations which govern the CPO process, stipulate how the CPO itself should be advertised and consulted upon, and the Council will follow due process in this regard.

## **Public Sector Equality Duty**

In considering the case for making the CPO, the Council has also had regard to the human rights implications and to its public sector equality duty (section 149 of the Equality Act 2010).

The Human Rights Act 1998 incorporated into domestic law the European Convention on Human Rights (“the Convention”). The Convention includes provisions in the form of articles, the aim of which is to protect the rights of the individual.

In resolving to make the CPO the Council should consider the rights of property owners under the Convention, notably under the following Articles:

- Article 1 - This protects the right of everyone to the peaceful enjoyment of possessions. No one can be deprived of possessions except in the public interest and subject to the relevant national and international laws.
- Article 8 - This protects private and family life, home and correspondence. No public authority can interfere with these interests except if it is in accordance with the law and is necessary in the interest of national security, public safety or the economic well-being of the country.
- Article 14 - This protects the right to enjoy rights and freedoms in the Convention free from discrimination on any ground such as sex, race, colour, language, religion, political or other opinion, or national or social origin.

In the case of each of these Articles under the Convention, the Council should be conscious of the need to strike a balance between the rights of the individual and the interests of the public. In light of the significant public benefit which would arise from the regeneration of the site, it is considered appropriate to make the CPO. It is not considered that the CPO would constitute any unlawful interference with individual property rights.

The opportunity has been given to landowners and other affected parties to make representations regarding the Council’s planning policies which underpin the proposed CPO. Further representations can be made in the context of any Public Inquiry which the Secretary of State decides to hold in connection with the CPO. Those directly affected by the acquisition of their land interests will be entitled to compensation (in accordance with the statutory code) proportionate to the loss which they incur.

The Council further has a duty, when exercising any power, to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out its activities (section 149 of the Equality Act 2010). This includes removing or minimising disadvantages suffered by people due to their protected characteristics, taking steps to meet the needs to people from protected groups where these are different from the needs of other people and encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.

An Equalities Impact Assessment (EQIA) of the scheme was undertaken in April 2018. The Council has considered each protected characteristic to identify whether the regeneration of the site or delivery of the scheme could have a detrimental impact of such protected characteristics. The EQIA identified a number of impacts on the protected characteristic and actions to be undertaken to address any negative impacts

identified. The EQIA is a live document and was updated in January 2021. It will continue to be updated as the scheme progresses and is implemented to ensure that identified actions are undertaken to mitigate any impacts.

The Council is satisfied that it has discharged its public equality duty and that the regeneration of the site and the delivery of the proposed scheme will have no detrimental impact, or where there may be an impact, steps have been taken to mitigate it, on the protected characteristics set out above.

**Climate Emergency – This Council has declared a climate emergency and is committed to playing as full a role as possible – leading by example as well as by exhortation – in achieving a carbon neutral Wokingham Borough by 2030**

The regeneration of Gorse Ride is anticipated to reduce energy demand by 17% through energy efficient fabric and building services. The proposed dwellings have high levels of airtightness and thermal mass, and reductions in thermal bridging potential. In response to climate change and rising temperatures, the properties have been designed to have passive solar shading through the balcony design. Mechanical Ventilation with Heat Recovery has also been incorporated into the design to ensure that the properties are well ventilated without losing heat and eliminating the condensation within a building.

An estimated 22.6% of the development's total energy demand will be supplied via a decentralised heating network serving the apartment blocks. Total energy consumption is anticipated to be reduced by 17% through energy efficient design, with 8.3% of the development's anticipated in-use demand being provided by low carbon technologies.

In response to Wokingham's Climate Emergency Action Plan individual properties have electricity only and are heated by internal Air Source Heat Pump, integrated into a hot water cylinder.

EV charging points will be distributed around the development to encourage the use of electric cars.

**Reasons for considering the report in Part 2**

The appendix to this Report entitled 'Delivering the Gorse Ride Regeneration – Part 2' contains sensitive personal information relating to individuals as well as financial information in connection to negotiations between the Council and individual owners regarding the acquisition of their property. As such therefore the information in that Appendix is exempt under paragraphs 1 and 3 of Schedule 12A of the Local Government Act 1972.

**List of Background Papers**

Part 2 Report which includes Gowlings CPO Report and financial information regarding the status of property acquisitions and negotiations.

Appendices

- 1 Draft plan showing indicatively the land proposed to be included in the CPO edged red
- 2 Inspector's Report

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