

To: Housing and Community Safety Policy Board

On: 24 January 2017

Report by: Director of Development and Housing Services

Heading: Johnstone Castle Housing Regeneration Update and Request for

Authorisation to Pursue Compulsory Purchase Orders

1. Summary

- 1.1 The Housing & Community Safety Policy Board on 26 August 2014 agreed that the Director of Development and Housing Services should instruct the services of the District Valuer (DV) to seek the voluntary acquisition of 31 privately owned properties to facilitate the progression of the Council's regeneration programme in Johnstone Castle.
- 1.2 The report also approved in principle the compulsory acquisition of these properties where negotiations to voluntarily acquire these properties were unsuccessful. To date, the Council have successfully acquired 23 of the 31 privately owned properties from owners through voluntary acquisition.
- 1.3 Negotiations with the remaining owners have as yet failed to result in the voluntary acquisition of their properties. Therefore in accordance with Scottish Government guidance, the Director of Development and Housing Services wishes now to initiate two parallel Compulsory Purchase Order applications with the Scottish Government (which reflect the project's phasing) to enable the purchase of all outstanding identified privately owned properties to allow the regeneration of the area to progress.
- 1.4 These Compulsory Purchase Order applications would run in parallel with continued efforts to voluntarily acquire properties from current owners.
- 1.5 The regeneration of Johnstone Castle includes the demolition of 288 low demand tenement flats with no sustainable future. The site of these properties is being used to deliver around 100 new build Council homes for social rent of varying types and sizes to meet identified local needs.

1.6 Regeneration plans are progressing well with 10 blocks now demolished at Elm Drive and one block at Sycamore Avenue. Ongoing consultation with local residents continues to be very positive with regenerations proposals well received. A successful application to the Scottish Ministers to acquire all 8 remaining privately owned properties will allow this regeneration to progress and enable demolition works to promote a cleared site and facilitate the development of these new Council homes.

2. Recommendations

2.1 It is recommended that the Policy Board

- (i) Notes the progress being made in relation to the regeneration of Johnstone Castle and the successful acquisition of 23 of the 31 privately held properties.
- (ii) Authorises the Director of Development & Housing Services to pursue the compulsory acquisition by the promotion and submission for confirmation to the Scottish Ministers of Compulsory Purchase Orders in respect of the 8 remaining privately owned properties as identified in paragraph 3.8 of this report, for housing purposes, to enable the Council's regeneration strategy to proceed.

3. **Background**

- 3.1. Following approval of the 'Johnstone Castle Housing Regeneration' report by the Housing and Community Safety Policy Board on the 26 August 2014, plans were approved to demolish 288 low demand tenement flats to facilitate the regeneration of Johnstone Castle. This included the demolition of 31 privately owned flats with owners of these flats notified by letter that the Board Report had been approved and that the Council would seek to voluntarily acquire their properties.
- 3.2. The District Valuer (DV) was then instructed to determine a market valuation of these privately owned properties and to negotiate the voluntary acquisition of these properties with their respective owners.
- 3.3. To promote voluntary acquisition of properties, the Council offered owners compensation in terms of disturbance and home loss payments (where eligible) together with the current market value of their property as determined by the District Valuer (DV).
- 3.4. Owners were also given the opportunity to exchange their property for that of a Council owned property through an excambion process.
- 3.5. To date the Council have successfully acquired 23 of the 31 properties.

- 3.6. After protracted negotiations with the remaining owners and a failure to reach mutually acceptable terms for eight properties, as listed in paragraph 3.8, the Director of Development and Housing Services now wishes to instigate Compulsory Purchase Order proceedings through promotion and submission of a Compulsory Purchase Order to the Scottish Government along with all required supporting evidence, and it is for this that authorisation from the Board is being sought in terms of this Report.
- 3.7. Throughout this process it is proposed that the Council will remain open to negotiations with all remaining owners. In the event of any of the properties being acquired voluntarily, the Compulsory Purchase Order process would cease in connection with that property. The Compulsory Purchase Order application will consist of 2 separate applications to reflect the phasing of the regeneration plan for the area which includes the construction of around 100 new Council homes. The addresses to be included in each application are shown in tables 1 and 2 below.
- 3.8. The 8 properties to be included in the Compulsory Purchase Orders to the Scottish Government are noted below. However as noted above, if voluntary acquisition is successful, the Compulsory Purchase Order will cease to apply to these properties.

Table 1: Compulsory Purchase Order Application Addresses – First Phase

CPO Application 1
85E Elm Drive, Johnstone Castle
22A Tower Road, Johnstone Castle

Table 2: Compulsory Purchase Order Application Addresses – Second Phase

CPO Application 2	
6D Cedar Avenue, Johnstone Castle	
24B Cedar Avenue, Johnstone Castle	
24E Cedar Avenue, Johnstone Castle	
24F Cedar Avenue, Johnstone Castle	
26E Cedar Avenue, Johnstone Castle	
11A Maple Drive, Johnstone Castle	

Implications of the Report

- 1. **Financial** Costs associated with the acquisition of private properties.
- 2. HR & Organisational Development None
- 3. **Community Planning**

Empowering our Communities - Improving and maintaining neighbourhoods and homes

Safer and Stronger – Increasing resident satisfaction with neighbourhoods and communities

- 4. **Legal** –There will be a requirement for Legal Services to carry out conveyancing work in relation to the acquisition of these 8 outstanding properties and with respect to the CPO application.
- 5. **Property/Assets** The acquisition of these 8 properties would be followed by demolition to progress regeneration plans in the area.
- 6. **Information Technology** None
- 7. Equality & Human Rights -

The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report in that compulsory purchase will not breach the ECHR where it is authorised by law, is proportionate and where it can be demonstrated to be in the public interest. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

- 8. **Health & Safety** None
- 9. **Procurement** None
- 10. **Risk** Whilst it is anticipated that Scottish Ministers may approve this CPO in the circumstances, confirmation of any CPO application is not guaranteed.
- 11. **Privacy Impact** None

List of Background Papers

- (a) Background Paper 1
 - 'Johnstone Castle Housing Regeneration', Housing and Community Safety Policy Board, 26 August 2014
 - 'Housing Regeneration: Johnstone Castle', Housing and Community Safety Policy Board, 11 March 2014

The foregoing background papers will be retained within Development & Housing Services for inspection by the public for the prescribed period of four years from the date of the meeting.

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