

Report to: District Council of Easington
Date: 6th March 2008
Report of: Executive Member for Regeneration
Subject: Compulsory Purchase Order – St John’s Square, Seaham
Ward: Seaham

1 Purpose of the Report

1.1 To seek a formal resolution to:

- a. The Compulsory Acquisition of land and property at St John’s Square, Seaham to acquire the interest in and new rights over the area known as St John’s Square, Seaham to enable the comprehensive redevelopment of the site.
- b. Obtain consent for the submission of the District of Easington (St John’s Square), Seaham Compulsory Purchase Order to the Communities and Local Government Office for confirmation, as appropriate.
- c. Authorise Durham County Council on behalf of the Council to prepare the appropriate Order(s) to stop up the highways within the site boundary in order to facilitate the scheme.
- d. Authorise a waiver in accordance with Contract Standing Order 1(a) of Standing Order 4(A) to enable the appointment of DLA Piper UK LLP to provide specialist legal advice in the preparation and confirmation of the Compulsory Purchase Order.

2 Consultation

2.1 Consultation has been undertaken with the Director of Regeneration and Development, Durham County Council, Seaham Town Council and County Durham PCT. The parties referenced fully support the action proposed.

3 Background

- 3.1 Members will recall from previous reports to Executive dated 20th March, 2007 and 20th July 2007 of the intention to undertake a comprehensive redevelopment scheme at St John’s Square in Seaham.
- 3.2 The redevelopment proposal is an integral part of the Seaham Regeneration Strategy; a 10-year integrated programme of action, focused upon the social, environmental and economic renewal of key areas within the Town. The success of this programme has been well documented and has helped deliver the economic renaissance of the town. To date over £400m of investment has been expended on delivering the projects within the Strategy and the redevelopment of St John’s Square is one of the final regeneration schemes to be implemented.
- 3.3 Standing at the western edge of the town centre, St John’s Square comprises a collection of public buildings and facilities mainly dating from the 1960’s, except for a new building that has been constructed for the Department of Work and Pensions Job Centre Plus Service. Currently the Square has a number of buildings which are boarded up and/or no longer required for their original purpose and the Square is run down and prone to incidents of anti-social behaviour and abuse.

- 3.4 The proposal will provide a comprehensive and cohesive range of new, modern public service buildings in a safe and high quality sustainable environment. Redevelopment includes provision of a new Health Centre for the County Durham Primary Care Trust and a Multi-User Centre for Durham County Council. The Multi-User Centre will provide office accommodation for a range of Durham County Council services, Seaham Town Council as well as providing an area office for East Durham Homes. It will incorporate a new town library and meeting rooms that can be utilised by community groups and the public alike. The Primary Care Trust building will provide the focus for all primary health care requirements for the people of Seaham and associated catchment area. It is proposed to also provide development on the remainder of the site that will complement those land uses identified above to provide an integrated service centre for the town of Seaham. Outline planning consent for the proposals was granted on 8th October 2007.
- 3.4 In order to enable the scheme to be undertaken it is necessary for the current pedestrian routes across and through the site to be reconfigured. As these existing routes are public highways it will be necessary for an Order to be made under the Town & Country Planning Act 1990 to extinguish existing highway rights as required for the redevelopment scheme. New pedestrian routes will be provided as part of the redevelopment scheme.
- 3.5 A Memorandum of Understanding has been signed by all public sector partners to work together to realise this comprehensive redevelopment scheme. It aims to promote joint working and collaborative endeavour. The estimated value of the scheme is £15m and will involve the redevelopment of 16,000 sq metres of previously developed land. A Project Manager has been appointed to provide a dedicated resource to facilitate the implementation of this regeneration initiative (See report dated 20 March 2007). The objectives of the scheme are to promote the social and economic well being of Seaham whilst improving the general living environment for local residents.
- 3.6 The Council has also appointed a firm of Landscape Architects, pursuant to a report to Executive dated 24 July 2007, who will design the public realm areas within the Square and provide the vital link that will interlink the various developments.
- 3.7 A report detailing the proposed terms and conditions for the various land transactions associated with the redevelopment scheme will be presented to Executive in due course.

4 Position Statement and Option Appraisal

- 4.1 It is proposed to make a CPO under section 226(1)(a) of the Town & Country Planning Act 1990 and if necessary section 13 of the Local Government (Miscellaneous Provisions) Act 1976.
- 4.2 The Council can make a CPO under section 226(1)(a) where it thinks "that the acquisition will facilitate the carrying out of development/re-development or improvement on or in relation to the land" and it thinks that (as required by section 226(1)(a) the development, re-development or improvement is likely to contribute to the achievement of the promotion or improvement of the economic, social or environmental well-being of their area. Under section 13 of the Local Government (Miscellaneous Provisions) Act 1976 the Council may if necessary compulsorily acquire such new rights over land as are specified in the CPO.
- 4.3 To facilitate the development a number of parcels of land in unknown ownership and other third party land interests will need to be acquired. Where ownership is known negotiations with the owner is underway with a view to acquiring by agreement. However if negotiation fails the CPO will be required to purchase this land and the

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land in unknown ownership, which are important to the redevelopment of the Square. The negotiations to acquire by agreement and the CPO will be progressed in parallel.

- 4.4 The rationale behind the CPO is clearly demonstrated by the development proposal itself. St John's Square is in need of urgent attention and is one of the final initiatives of the Seaham Regeneration Strategy to be implemented. The aim of the Strategy was to provide the stimulus for economic growth following the pit closures in the early 1990's. The combined effect of the programme of renewal has been the revival of the town in economic prosperity terms with new employment opportunities created, significant new housing provided with associated social and environmental improvements undertaken.
- 4.5 In terms of identifying the social, economic & wellbeing benefits that will arise from the use of CPO powers to facilitate redevelopment, the key benefits are considered to include:

Social Well-being

- 4.6 There is a need for a Primary Care Trust facility and Council functions on site; Index of Multiple Deprivation indices of poor health and welfare demonstrate the requirement for family services, General Practitioner and medical services provision. The provision on site of civic facilities in the form of a Multi-user Centre will compliment this healthcare building by means of welfare facilities and local government functions.

Environmental Well-being

- 4.7 St John's Square will provide a civic precinct whereby local people will be able to access key services and facilities whilst enjoying a high standard of public realm. The environmental improvements proposed to the Square will resonate through to Church Street the main retail precinct thereby raising the standard and aesthetic quality of the area, the aim being to create an active and vibrant public square that will be in constant use by the residents of Seaham both day and night and establish strong linkages to further regeneration initiatives across the town centre.

Economic Improvement

- 4.8 The proposals will address the significant deterioration to this part of the town and contribute to the wider ambitions of securing the economic renaissance of Seaham. The ambition for the square is a complimentary mixed-use scheme of both public sector and commercial opportunities facilitating a coherent mix. This will ensure accessible linkages to complete the 'dumbbell effect' to the pull of the recently completed Byron Place development towards the eastern end of the town centre which further complements this and contributes to the long term sustainability of the town as a major economic centre in the County. The proposal will further enhance investor confidence in Seaham and contribute to the long-term viability of the town as a major service centre in the County.

Management of the CPO Process

- 4.9 The Council has previously under delegated powers appointed DLA Piper UK LLP as specialist legal advisors to the scheme in order to advise on the complex legal issues associated with land ownership and CPO. Although it was originally intended that in house resources within Durham County Council would provide legal support for the CPO work this is not now available due to other commitments. It has therefore been agreed by the partners that it would be appropriate to appoint specialist advisors to act independently on behalf of all partners to the scheme.

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- 4.10 The initial appointment of DLA Piper UK LLP followed substantial enquiries with other authorities throughout the north of England for recommendations of companies who had undertaken similar work and provided quality service, which represented best value.
- 4.11 Although a limited number of companies were recommended all but DLA Piper were or had previously, represented one or more of the partners to the St John's Square scheme and so were not considered to be totally independent. Harrogate Borough Council had however indicated they had recently undertaken a full tender exercise for the appointment of consultants in relation to the redevelopment of a town centre site. DLA Piper had won the tender based on best value criteria and the work that they had subsequently undertaken was highly commended. Discussions were then held with DLA Piper and they agreed that they would honour the same terms and conditions that had been agreed with the Harrogate appointment and on this basis the partners agreed to instruct Pipers to act on their behalf.
- 4.12 The initial stages of the work were undertaken within delegated powers limits and to a satisfactory level. Given the need to secure continuing legal support for the progression of the CPO, the partnership authorities representatives agreed that the services of DLA Piper needed to be retained to prepare and submit the Compulsory Purchase Order, given their expertise in mixed use and town centre based CPO schemes and that significant delays to the project and potential inconsistency of approach might occur if there was to be undertaken a re-tender at this stage in the development process. The additional work required to complete the work related to the formal submission of the order is estimated to be £20-30,000. Each partner is responsible for a proportionate payment of these costs.
- 4.13 As such approval is sought in line with Standing Order 1(a) to authorise a waiver under Standing Order 4(A) to enable the continued commissioning of DLA Piper to undertake work on the St John's Square CPO.

5 **Implications**

Financial

- 5.1 The cost associated with this CPO will be met from existing budgets and shared equally between the key partners of Durham County Council, County Durham Primary Care Trust and the District of Easington Council. The implications associated with land transactions will be subject of a report in due course and will form the basis of a Development Agreement between the public sector partners. In terms of the principal land interests that it is sought to acquire through the CPO process, the County Durham Primary Care Trust will meet the costs of this.

Legal

- 5.2 The legal implications are fully referenced in the report

Policy

- 5.3 There are no policy implications arising from this report.

Risk

- 5.4 A risk assessment has been completed and the necessary actions required to effectively manage the identified risks have been implemented

Communication

- 5.5 The necessary statutory notices associated with this CPO will be posted in accordance with prescribed timescales. All other associated communications will be undertaken in consultation with the Council's legal representatives.

Corporate

- 5.6 The redevelopment of St Johns Square accords with a number of the Council's corporate priorities, but primarily:

Quality services for our people- through the provision of responsive public services commensurate to the needs of the local community of Seaham

Clean, tidy communities - by providing a high quality and sustainable public realm area

Building a healthy community - resulting from highly accessible and enhanced health service provision

Making the District safe - by providing an appropriate mix of development designed to alleviate existing problems associated with the Square

Equality and Diversity

- 5.7 There are no equality or diversity issues arising from this report.

E-Government

- 5.8 There are no e-government issues arising from this report.

Procurement

- 5.9 There are no procurement issues arising from this report.

Human Rights

- 5.10 Section 6 of the Human Rights Act 1998 prohibits public authorities from acting in a way that is incompatible with the European Convention on Human Rights. Various Convention rights may be engaged in the process of making a CPO, including those under Article 8 and Article 1 of the First Protocol.

The European Court of Human Rights has recognised in the context of Article 1 of the First Protocol that regard must be had to the fair balance that must be struck between the competing interests of the individual and of the community as a whole. Similarly, any interference with Article 8 rights must be necessary as set out in that Article. In this case, any interference with Convention rights is considered justified in the public interest in order to secure the implementation of the redevelopment proposals.

Local Government Review Implications

- 5.11 The scheme has been developed fully on a partnership basis with Durham County Council. As part of the scheme the County Council's development will provide a services access point that will establish a presence in Seaham. There are not felt to be any significant or material local government review implications arising from this report.

6. **Recommendation**

It is recommended that

- 6.1 District Council make a CPO under the powers conferred by Section 226(1)(a) of the Town & Country Planning Act 1990 and if necessary Section 13 of the Local Government (Miscellaneous Provisions) Act 1976 to acquire the land and if necessary any new rights over the land shown on the plan attached to this report.
- 6.2 District Council authorise the Director of Regeneration & Development in consultation with the Executive Member for Regeneration to make the CPO and take all the necessary procedural steps prior to and after the making of the CPO, including the submission of the CPO to the Secretary of State for confirmation, as appropriate, together with the preparation and presentation of the Council's case at any public inquiry and the confirmation of the CPO if it is unopposed or if any objections made are withdrawn.
- 6.3 District Council authorise the Director of Regeneration & Development in consultation with the Executive Member for Regeneration as soon as the CPO is confirmed to advertise the confirmation of the CPO, to serve all necessary notices of confirmation and, once the CPO becomes operative, to take all necessary procedural steps to acquire the interests and any new rights included in the confirmed CPO.
- 6.4 District Council authorise the stopping up of highways over the land on the plan attached to this report using the appropriate statutory powers in order to enable the implementation of the scheme.
- 6.5 District Council in line with Contract Standing Order 1(a) authorise the waiver of Contract Standing Order 4(A) to enable DLA Piper UK LLP to provide ongoing specialist legal advise in relation to the preparation and confirmation of the CPO.

Background Papers

Planning Approval Certificate 8 October 2007

St Johns Square file held in Regeneration Section