

CABINET MEETING –16th FEBRUARY 2011

EXECUTIVE SUMMARY SHEET – PART I

Title of Report:

Compulsory Purchase Order- Land at Sunderland Retail Park, Newcastle Road.

Author(s):

Report of the Deputy Chief Executive and the Executive Director of Commercial and Corporate Services

Purpose of Report:

This report follows on from the previous report considered by Cabinet on 1st December 2010 (copy at **Appendix 7**), when Cabinet approved, in principle, the use of compulsory purchase powers under section 226(1)(a) of the Town and County Planning Act 1990 (“the 1990 Act”) in respect of land at Sunderland Retail Park (“the Site”). Approval is now sought to progress with land assembly and to implement the use of these powers for the purpose of facilitating the carrying out of the comprehensive redevelopment of the Site, as shown on the Plan at **Appendix 3**. This redevelopment will provide a new retail superstore, associated public realm improvements and infrastructure, with the aim of achieving the promotion and improvement of the economic, social and environmental well-being of the area. An application for outline planning permission for this redevelopment scheme was considered by the Planning and Highways Committee on 5th October 2010. A copy of the report to the Planning and Highways Committee on the planning application is contained in **Appendix 8**. Outline planning permission was subsequently granted for the Scheme on 27th October 2010. It is considered that there is a compelling case in the public interest which justifies the use of CPO powers in this case. The compelling case in the public interest and the economic, social and environmental benefits to the well-being of the area are summarised in this report and set out more fully in the draft statement of reasons for the CPO which is attached at **Appendix 4**. Members should also read the Planning and Highways Committee report dated 5th October 2010 and the Cabinet report 1st December 2010, and the draft statement of reasons in conjunction with this report.

Description of Decision:

Cabinet is recommended to:

1. Authorise the making of a Compulsory Purchase Order (“CPO”) to be known as The Council of the City of Sunderland (Sunderland Retail Park) Compulsory Purchase Order 2011 under section 226(1)(a) of the 1990 Act to acquire land and under section 13 of the Local Government (Miscellaneous Provisions) Act 1976 (“the 1976 Act”) in order to acquire new rights at Sunderland Retail Park to facilitate the carrying out of its comprehensive redevelopment;
2. Authorise any of the following officers:- the Chief Executive, Executive

Director of Commercial and Corporate Services or the Head of Law and Governance to make minor amendments, modifications or deletions to the CPO schedule of interests and map, should this be necessary; and to finalise and make the CPO comprising the CPO and Schedule of interests and CPO map;

3. Authorise the Head of Law and Governance to serve notice of making of the CPO on all owners and occupiers of the site and all land interests identified.
4. Authorise the Deputy Chief Executive and the Head of Law and Governance to take all necessary actions to secure confirmation of the CPO by the Secretary of State for Communities and Local Government ("the Secretary of State"), including promoting the Council's case at public inquiry if necessary and to continue negotiations with a view, in tandem with the exercise of CPO powers, to attempt to reach agreement with affected landowners.
5. Subject to confirmation of the CPO by the Secretary of State, authorise the Deputy Chief Executive and Head of Law and Governance to acquire title and/or possession of the CPO land, including as appropriate, by:-
 - a. Serving Notice of Confirmation of the CPO on owners and occupiers;
 - b. Serving Notice of Intention to Execute a General Vesting Declaration on owners and occupiers to transfer the title of the land included in the CPO to the Council;
 - c. Executing the General Vesting Declaration;
 - d. Serve Notices to Treat and/or Notices of Entry; and,
 - e. Acquiring land and interests through negotiation.
6. Authorise the Deputy Chief Executive and Head of Law and Governance to acquire and dispose of any land or interests required to enable the proposed redevelopment of the Sunderland Retail Park to proceed, subject to appropriate indemnity provisions being in place with the developer of the Site.

Is the decision consistent with the Budget/Policy Framework? *Yes/No

If not, Council approval is required to change the Budget/Policy Framework

Suggested reason(s) for Decision:

Section 226(1)(a) of the 1990 Act gives local authorities the power to acquire land compulsorily in order to facilitate the assembly of a site for private sector development.

The development at Sunderland Retail Park ("SRP") for which planning permission has been granted is expected to contribute to the achievement of the promotion and improvement of the economic, social and environmental well-being of Sunderland, as required under s.226(1A) of the 1990 Act.

In addition, in the light of the substantial physical, social and economic benefits that would arise from the proposed development at SRP, it is considered that there is a compelling case in the public interest to justify the use of CPO powers in order to facilitate the development.

Planning permission has already been granted for the Scheme (ref: 08/03336/OUT) and the proposals are in accordance with the national planning policy, the Unitary Development Plan and the emerging Core Strategy.

There are no alternative proposals for SRP that would achieve the regenerative benefits required.

Negotiations have been attempted with the owners and occupiers of the land needed to be acquired for the comprehensive redevelopment but it has not proved possible to date to reach a concluded agreement. It is proposed to continue negotiations in tandem with the exercise of CPO powers in accordance with the Circular,

Finally, without the CPO and the Scheme, it is likely that SRP would continue to fail and that economic, social and environmental conditions in the area would worsen.

Alternative options to be considered and recommended to be rejected:

The alternative option in this case would be for Tesco to seek to progress the development without the support of the Council's CPO powers. However, there is no certainty that it would be able to secure the necessary interests in the Order Land to carry out the comprehensive redevelopment proposed and to acquire any third party interests that would otherwise impede the development proposals, thereby putting at risk the delivery of this significant economic and physical regeneration project.

It is considered that the use of Compulsory Purchase powers is necessary in the circumstances in order to achieve the required assembly of the remaining interests at SRP and in turn deliver the comprehensive redevelopment and regeneration of the Site. If the Scheme did not proceed, then the economic, social and environmental benefits set out in this report are very unlikely to be achieved.

Is this a "Key Decision" as defined in the Constitution?
Yes

Is it included in the Forward Plan?
No

Relevant Scrutiny Committee:

Prosperity and Economic Development

