

Planning Committee

10.00am, 6 December 2012

21st Century Homes: Proposed Compulsory Purchase Orders, Pennywell

Item number

Report number

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Ward 4, Forth

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Executive summary

21st Century Homes: Proposed Compulsory Purchase Orders, Pennywell

Summary

This report seeks Committee approval to serve a Compulsory Purchase Order (CPO) in respect of the property at:

- 14/2 Muirhouse Avenue

The CPO is being pursued under the Town and Country Planning (Scotland) Act 1997 and requires approval from the Planning Committee before being presented to the City of Edinburgh Council.

On 23 November 2006, the Council approved an eight-year phased demolition programme which included the property at 14/2 Muirhouse Avenue. On 15 August 2012, Planning Permission in Principle was granted for the Masterplan of the central area which includes this property.

The redevelopment of Pennywell and Muirhouse is part of the 21st Century Homes for Edinburgh Programme which aims to deliver more than 1,400 new homes for rent and sale and represents Council led investment of around £170 million in the city. Around 800 of these homes will be in Pennywell.

To allow implementation of the 21st Century Homes proposals and to regenerate the area, it is necessary to continue with the current demolition programme, which includes this property. Despite considerable effort over the previous months to progress the buy-back of 14/2 Muirhouse Avenue through negotiation, it is now necessary to seek authority to pursue a CPO. This will proceed in parallel with continuing negotiations.

Recommendations

It is recommended that the Planning Committee:

- agrees to pursue a Compulsory Purchase Order for the following property and instructs the Acting Head of Legal, Risk and Compliance to commence Compulsory Purchase proceedings for:
14/2 Muirhouse Avenue
- notes the intention to submit a draft Compulsory Purchase Order to Full Council at the earliest opportunity for authority to effect service; and
- notes that the Council will continue to seek a negotiated purchase of the property in parallel with pursuing the CPO.

Measures of success

The pursuance of this CPO and the continued negotiation will allow the progression of the regeneration of the Pennywell and Muirhouse area of the city. Success will be measured through the quality and sustainability of the new homes and the creation of a new mixed tenure community where people choose to live.

Financial impact

The costs of the CPO will be met by the Council. These would include the Council's legal costs, the sum for the value of the heritable interest, home-loss compensation of 10% of heritable value, disturbance payment plus the reasonable surveyors and legal fees incurred by the owner. Provision is made for this within the Housing Revenue Account capital budget of Services for Communities.

Equalities impact

An Equalities Impact Assessment has been carried out and there are no adverse impacts arising from this report.

Environmental impact

The environmental impacts of the redevelopment of Pennywell & Muirhouse have been assessed prior to the submission of the planning application and no significant environmental impacts have been found. The development itself will provide new energy efficient quality homes

Consultation and engagement

Community consultation on the regeneration plans including the masterplans has taken place over the last two years. The main focus of consultation has been through the local development group, a sub group of the Neighbourhood Partnership, which is made up of local residents and stakeholders. Regular newsletters and drop in sessions have also been in place to update and consult with the local community.

Despite considerable effort over the previous months to progress the buy-back of this property through negotiation, it is now necessary to seek authority to pursue a CPO. This will proceed in parallel with continuing negotiations.

Background reading / external references

- Report to Council 23 November 2006 – Progressing the City Housing Strategy – Feedback on the demolition consultation
- Report to Health, Social Care and Housing Committee, 12 August 2008 - 21st Century Council Homes for Edinburgh

- Report to Health, Social Care and Housing Committee, 3 March 2009 - 21st Century Council Homes for Edinburgh Business Case
- Report to Council 29 June 2009 – Progressing the City Housing Strategy
- Report to Development Management Sub-Committee, 24 February 2010 - Forthcoming application by the City Of Edinburgh Council: Services for Communities for a residential development at Pennywell
- Report to Development Management Sub-Committee, 15 August 2012 – Planning Permission in Principle 12/00996/PPP at Regeneration Masterplan Pennywell Muirhouse, Pennywell Road, Edinburgh

21st Century Homes: Proposed Compulsory Purchase Orders, Pennywell

1. Background

Legislation and Programme

Section 189(1) of the Town and Country Planning (Scotland) Act 1997 allows a local authority, on being authorised by Scottish Ministers, the power to acquire compulsorily any land in their area which:

- a) is suitable for and is required in order to secure the carrying out of development, redevelopment or improvement;
- b) is required for a purpose which is necessary to achieve in the interests of the proper planning of an area in which the land is situated.

The Acquisition of Land (Authorisation Procedure) (Scotland) Act 1947 shall apply in relation to any such compulsory purchase.

On 15 August 2012 the Development Management Sub Committee resolved to grant outline planning permission to application 12/00996/PPP, for a residential development (including affordable housing and housing for sale with associated parking/ landscaping and public realm, North West Edinburgh Partnership Centre (NWEPC) and ancillary cafe, parking/landscaping and public realm, youth centre and multi use games area, artists studios, associated demolitions and alterations to shopping centre and library / arts centre). The demolition programme required the Council carrying out a re-housing programme of 655 households, included 67 owned properties which commenced in 2007. All tenants have now been re-housed; one property remains in private ownership and requires to be bought back. This proposed CPO relates to this property in Pennywell, as noted above.

Purchased properties

Negotiations to buy the homes began with one-to-one appointments for each owner to discuss housing options and explain the process. Information was regularly provided to owners regarding shared equity and ownership schemes and other developments they could access. Some owners required support when dealing with the process of obtaining independent valuations, ensuring professional fees were paid, and searching for new homes; this was provided by Services for Communities.

Feedback from many of the owners whose properties have now been bought has been very positive. Satisfaction surveys have highlighted strong levels of satisfaction with both their new homes and the service they received from Council staff throughout the process.

2. Main report

Properties to be purchased

The proposed CPO refers to the property at 14/2 Muirhouse Avenue and is shown in Appendix 1.

Negotiations have been ongoing with the owner and will continue through the Compulsory Purchase process, should the Committee approve the recommendations.

In the report to full Council on 23 November 2006, approval was given for an eight year phased demolition programme including the property at 14/2 Muirhouse Avenue. On 15 August 2012, Planning Permission in Principle was granted for a master plan of the Central area of Pennywell and Muirhouse, an area which includes the property. Contact was first made with the owner in December 2007 and negotiations have continued in an attempt to agree a value for the property to enable it to be bought back. To date, the Council and the owner have failed to agree a purchase price and the owner continues to let the property to tenants.

Next Steps

The building cannot be included in the demolition programme until all dwellings have been acquired by the Council. The presence of unoccupied buildings has also led to a security concern as they have been a target for theft and vandalism.

Despite continued efforts made by the Council since December 2007 for 14/2 Muirhouse Avenue, the property owner has failed to reach agreement on a purchase price to permit the Council to buy the property back.

In order to continue the regeneration of Pennywell and to deliver the 21st Century Homes Programme within intended timescales and without significant delays, a Compulsory Purchase Order is necessary. Negotiations with the owner will continue in parallel with the pursuit of this order.

If the Committee agrees to the compulsory purchase in principle, a draft CPO will be submitted for approval by Full Council. Final confirmation and approval is also required from Scottish Ministers.

3. Recommendations

It is recommended that the Planning Committee:

- agrees to pursue a Compulsory Purchase Order for the property at 14/2 Muirhouse Avenue and instructs the Acting Head of Legal, Risk and Compliance to commence Compulsory Purchase proceedings.
- notes the intention to submit a draft Compulsory Purchase Order to the City of Edinburgh Council at the earliest opportunity for authority to effect service; and
- notes that the Council will continue to seek a negotiated purchase of the property in parallel with pursuing the CPO.

Mark Turley

Director of Services for Communities

Links

Coalition pledges

P8. Make sure the city's people are well-housed, including encouraging developers to build residential communities, starting with brownfield sites

P9. Work in partnership with Scottish Government to release more funds for council homes for rent

P17. Continue efforts to develop the city's gap sites and encourage regeneration

Council outcomes

CO7. Edinburgh draws new investment in development and regeneration

CO8. Edinburgh's economy creates and sustains job opportunities

CO16. Well-housed – People live in a good quality home that is affordable and meets their needs in a well managed Neighbourhood

CO19. Attractive Places and Well Maintained – Edinburgh remains an attractive city through the development of high quality buildings and places and

the delivery of high standards and maintenance of infrastructure and public realm

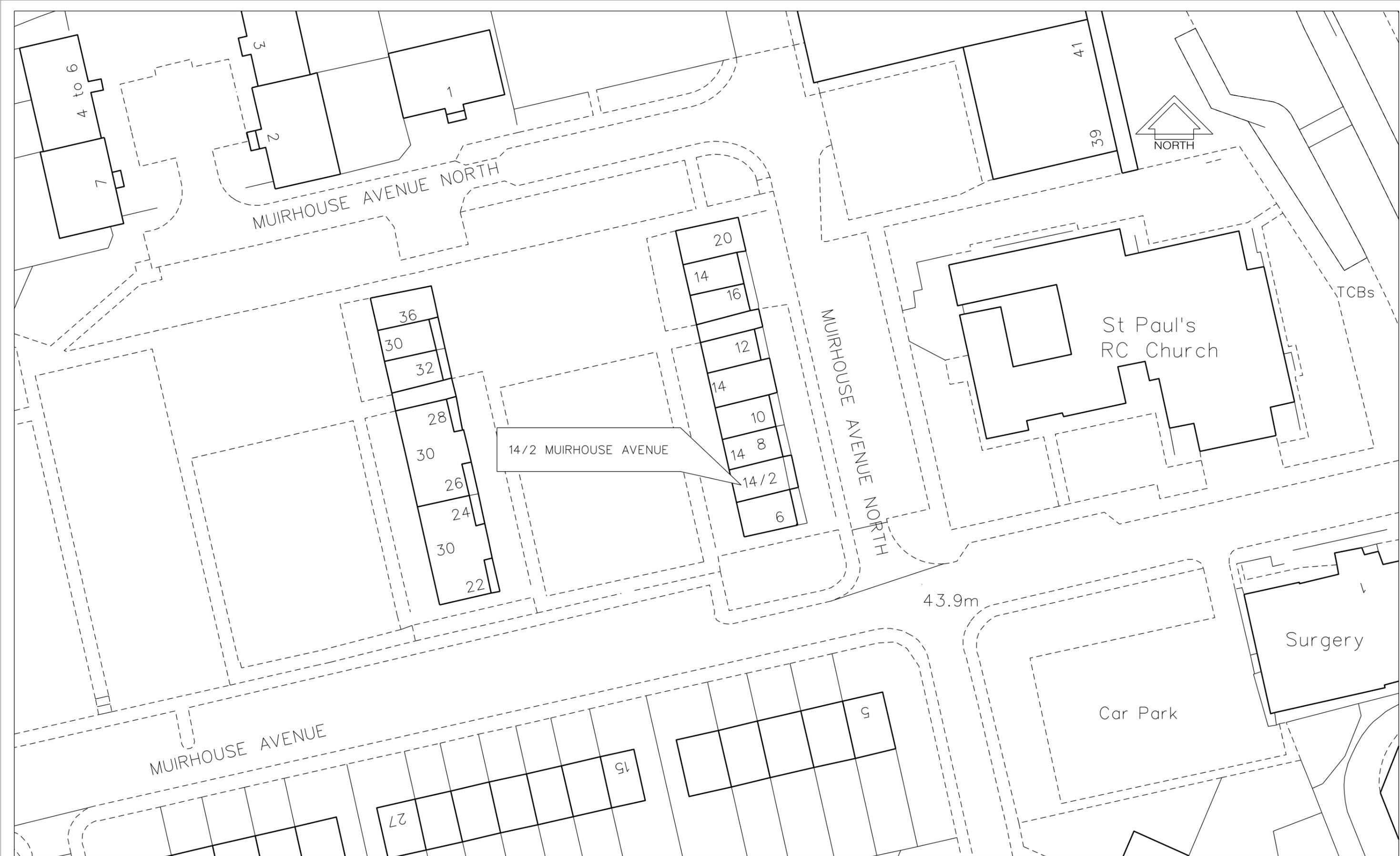
CO25. The Council has efficient and effective services that deliver on objectives

Single Outcome Agreement

SO4. Edinburgh's communities are safer and have improved physical and social fabric

APPENDICES

Appendix 1: Map of Muirhouse Avenue



APPENDIX 1 PLAN A - Plan of properties included in Compulsory Purchase Order application

EDINBURGH THE CITY OF EDINBURGH COUNCIL	
DRAWN BY	Mark Ballantyne
DATE	20/9/12
SCALE	1:500 @ A3 SIZE
NEG. NO	A3/1161a