

DECISION-MAKER:	CABINET
SUBJECT:	ESTATE REGENERATION – WESTON LANE SHOPPING PARADE REDEVELOPMENT
DATE OF DECISION:	19 FEBRUARY 2013
REPORT OF:	LEADER OF THE COUNCIL

<u>CONTACT DETAILS</u>			
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STATEMENT OF CONFIDENTIALITY

Confidential Appendices contain information deemed to be exempt from general publication by virtue of Category 3 of paragraph 10.4 of the Council's Access to Information Procedure Rules. It is not in the public interest to disclose this because doing so would prejudice the commercial confidentiality of the bidders and selection process.

BRIEF SUMMARY

This paper provides an update on progress relating to Weston Lane Shopping Parade since July 2011 when redevelopment was approved by Cabinet. The report seeks authority following a procurement exercise using the Homes & Communities Agency's Delivery Partner Panel (HCA DPP) framework, to approve a preferred bidder and enter into a Development Agreement to undertake the redevelopment of Weston Lane Shopping Parade.

Furthermore, the report seeks authority to make a Compulsory Purchase Order (CPO) in order to acquire land and rights at Weston Lane Shopping Parade not already in Council ownership and authority for officers to proceed with the necessary enabling works to redevelop the site in a timely manner.

RECOMMENDATIONS:

- (i) To approve, in accordance with Financial Procedure Rules, the virement of £300,000 in 2014/15 from the Estate Wide Programme to the Weston Shopping Parade Redevelopment Programme.
- (ii) To, approve, in accordance with Financial Procedure Rules, additional expenditure of £300,000 in 2014/5 on the Weston Shopping Parade Redevelopment Programme.

- (iii) To approve, in accordance with Financial Procedure Rules, expenditure of £1,325,000 phased £700,000 in 2013/14, £375,000 in 2014/15 and £250,000 in 2015/16 on the Weston Enabling Works Programme provision for which already exists in the unapproved section of the HRA Capital Programme.
- (iv)
 - a. To approve the appointment of Bouygues (UK) Limited as preferred bidder for the redevelopment of Weston Lane Shopping Parade site.
 - b. Subject to the Land becoming vacant land and falling within the terms of section 32 of the Housing Act 1985 under General Consent A of the General Housing Consents 2012 to approve the sale of the site at the price set out in the confidential Appendix 2 which is at less than best consideration due to the delivery requirements being imposed on the developer by the Council through the proposed development agreement which will create an undervalue.
- (v) To delegate power to the Head of Legal, HR & Democratic Services to amend, finalise and sign the Development Agreement with the preferred bidder for the disposal of the site in accordance with the financial terms outlined in Confidential Appendix 2 (exempt) and to enter into the associated Delivery Partner Panel Framework Agreement.
- (vi) To delegate authority to the Senior Manager Property, Procurement and Contract Management to
 - a. Negotiate and acquire by agreement any legal interests or rights held in respect of the parcel of land shown edged red in Appendix 4 not already owned by the Council (being within Weston Lane Shopping Parade site) using such acquisition powers as the Senior Manager Property, Procurement and Contract Management advises;
 - b. To agree the payment of appropriate compensation for the acquisition of the rights and interests in the land to be compulsorily purchased
- (vii)
 - a. That subject to reasonable attempts to negotiate the acquisition of each of the interests in the areas shown on the map at Appendix 4 having failed, to authorise the Head of Legal, HR & Democratic Services to make a Compulsory Purchase Order to acquire any rights and interests in the land and flats and buildings thereon shown on the attached map in Appendix 4 under section 17 of the Housing Act 1985 for the purpose of erecting housing and facilities which serve a beneficial purpose for the future occupiers of the housing.
 - b. To approve the Statement of Reasons for making the Compulsory Purchase Order as set out in Appendix 3 and that power be delegated to the Head of Legal, HR & Democratic Services to make amendments to the statement of reasons as the scheme progresses.

- (viii) To authorise the Head of Legal, HR & Democratic Services to do anything necessary to give effect to the above recommendations including but not limited to undertaking all procedural steps required to
 - (a) make, advertise and secure confirmation and implementation of the CPO,
 - (b) Acquire interests in the land either by agreement or compulsorily
 - (c) Enter into agreements with land owners setting out the terms for withdrawal of objections to the Order (to include the payment of compensation), including where appropriate seeking exclusion of land from the Order
 - (d) to represent the Council in any Inquiry into the confirmation of the CPO
- (ix) To approve (once vacant possession and planning permission has been obtained) the service of a Final Demolition Notice on secure tenants at the estate regeneration site under the provisions of the Housing Act 1985 and the demolition of the buildings and structures on the land edged red in Appendix 4.
- (x) To delegate authority to the Director for Environment and Economy, in consultation with the Senior Manager for Finance to accept, in accordance with Financial Procedure Rules, any grant funding towards the costs of the redevelopment of the Weston Lane Shopping Parade.
- (xi) To authorise the Manager, Estate Regeneration Projects responsible for managing the Weston Lane Shopping Parade project in consultation with the Planning & Development Manager and the Highways Manager to make the necessary stopping up or diversion applications for orders under the most appropriate legislative powers available to the Council under section 116 of the Highway Act 1980, section 247 or 257 Town & Country Planning Act 1990 in respect of Kingsclere Close, the precinct footpaths/ walkways linking Weston Lane to Kingsclere Avenue and a spur footpath linking to Ashton House all within the Weston Lane Shopping Parade site and identified in the plan at Appendix 4.
- (xii) To authorise the City Parking and Patrol Manager to proceed with the public consultation process for a Traffic Regulation Order under Section 32 of the Road Traffic Regulation Act 1984 Act to close the public car park at Weston Lane Shopping Parade.

REASONS FOR REPORT RECOMMENDATIONS

1. Redevelopment at Weston Lane Shopping Parade offers the opportunity to deliver improved modern housing and local facilities to meet the needs of residents. Redevelopment will provide a mixed tenure environment and good quality accommodation, together with significant improvements in the public and private realm on site, to ensure a cohesive and sustainable community and to help to tackle the economic deprivation and social disadvantage concentrated in these areas.
2. The report recommendations enable the timely redevelopment of the Weston Lane Shopping Parade site as above and delivery of the Estate Regeneration objectives and to safeguard the Homes & Communities Agency (HCA) grant

funding available to the Registered Provider for the affordable housing allocated to the project.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

3. The updated Housing Strategy 2011-15 and Housing Revenue Account Business Plan 2011-2041 confirms estate regeneration as a key priority for the Council.
4. This report requests authority for processes which would enable delivery of the Weston Lane Shopping Parade project within a programme of Estate Regeneration occurring across the city. The option of doing nothing would not achieve the Council's objectives of creating successful communities on our estates.
5. The option of doing nothing at Weston Lane Shopping Parade would result in significant ongoing repairs and maintenance work being required at the site. The cost to the Council was estimated in 2011 at £2.25M, based on carrying out urgent works over a ten year period. These estimated costs further excluded any improvement works to the commercial units, all of which would be significant additional costs which have not been estimated. On the basis of the revised and higher estimated costs of gaining vacant possession for the properties at Weston Lane Shopping Parade site, it is still considered that the cost/benefits approach of regeneration outweigh the cost/benefits of continuous maintenance.
6. Furthermore there has been considerable community consultation with local tenants and residents at Weston which has raised community hopes and expectations of implementing change at the site. The community desire to redevelop the site to improve the gateway into the Weston estate, and to do so in the near future, is still considered to be strong.
7. Should the above recommendations not be approved the alternative option would mean seeking a different route to redevelop or improve the site, which would take considerable time to implement in addition to identifying the resources to carry that out.

DETAIL (Including consultation carried out)

8. On 4th July 2011 Cabinet approved the principal of redevelopment of Weston Lane Shopping Parade site. This preliminary work has been progressing since the approval.

PROCUREMENT OF A DEVELOPMENT PARTNER

9. In order to be able to procure a developer quickly the Council signed up to the Homes & Communities Agency's Delivery Partner Panel (HCA DPP), Framework. The Panel includes a good range of developers with the necessary experience to deliver both private and affordable housing. The HCA DPP allows for Local Authorities (signing up to use the framework) to establish a mini competition process with the developers on the relevant panels, all of whom have been pre-qualified, have demonstrated capability of delivering regeneration projects and have been assessed on the basis of how they would deliver such projects.

10. The Information & Development Brief for the site was issued to the 17 Southern Cluster Panel Members on the HCA DPP Framework in January 2012.
11. There are three stages to the call-off process under the HCA DPP Framework. The first stage invites expressions of interest. This began in February 2012 and produced four expressions of interest.
12. The second stage is what it refers to as a sifting exercise to reduce the number of bidders in a relatively efficient way. As only four of the 17 Southern Cluster Panel Members had expressed interest in bidding, the decision was taken to skip this sifting stage and move straight to the third stage, namely to invite Tenders from those four Panel Members. The Tender Invitation was issued to three bidders in April 2012, as one bidder had in the intervening time withdrawn from the process, and bids were requested by 11 July 2012.
13. In May 2012 notification was issued to bidders requesting them to suspend work on their bids due to a request by the new Council administration to consider making changes to the delivery requirements for the project.
14. Once the revised requirements had been resolved upon a notification was submitted to all 17 Southern Cluster Panel Members advising that the tender would additionally require the provision of a new Library & Community Facility and inviting them to advise if based upon that change of requirement they would now wish to bid. None of the Panel Members who had previously declined to express an interest changed their position by expressing an interest based upon these new requirements.
15. In July 2012 a revised Stage Three Tender Invitation was issued to the three developers who had been invited to tender in April and were still interested in the project. The tender return date was set for Friday 26th October 2012.
16. Between the Invitation To Tender and Tender Submission date, two of the three developers withdrew from the process.
17. The general reluctance to bid was consistent with an increasingly perceptible general market sentiment of not wishing to get involved in costly and lengthy procurement processes where the potential prize is not attractive enough to offset the potential planning and private sales risks involved. Delivering higher density accommodation in this location, particularly the private accommodation, is higher risk than for example building lower density 3 bed family homes. Despite this, it is still considered that the decision to use the HCA DPP Panel was appropriate given that for this project its use would have reduced the procurement timescales and costs for both the Council and Bidders.
18. The other difficulty which affected this was the continuing uncertainty in the market as to what the affordable housing regime will be post-March 2015. Registered Providers (housing associations) cannot predict what housing grants may be available from the Homes and Communities Agency and on what type of housing tenures they will be allowed to let/sell properties in the future. Two Registered Providers have grant funding available to support the provision of affordable housing on this project as part of the 2011-2015

HCA grant allocation but the rules require that the affordable housing must be completed by March 2015.

19. This time constraint has led the project's programme for getting on site and continues to be the main driver for getting on site as quickly as possible. Any further delays in procuring a developer would result in Registered Providers being unable to support any bid for the site which in turn would mean that developers would not be able to commit without some form of guarantee from the Council to meet any shortfall should the value of the affordable housing be reduced by changes post March 2015.
20. Furthermore, another constraint to the project has been that HCA grant funding to cover the enabling costs for the project, has not been available to the Council directly, but instead through the Registered Providers. In contrast, direct grant funding had been available to previous Estate Regeneration projects and assisted with funding site enabling costs
21. One bid submission was received on 26th October 2012 from Bouygues (UK) Limited, working with Leadbitter, their main contractor (who were also on the HCA DPP framework but clearly chose not to bid direct), and supported by Spectrum Housing Association.
22. Despite only one bid being received through the procurement process, Officers proceeded to assess its content both to ensure that it met all the requirements of a compliant bid and indeed to assess that content generally against the published evaluation criteria.

Evaluation Results

23. The bid has been assessed in accordance with the evaluation criteria and methodology set out in the tender documents. The report on that assessment from Capita Symonds as the Council's procurement agent is attached (at Confidential Appendix 2 - exempt).
24. The evaluation process analysed the proposed scheme for the site, the delivery risks and the financial nature of the bid. The evaluation process included engagement with the Estate Regeneration Programme Board and the local community and Estate Regeneration Stakeholder Group as consultees, The evaluators documented this consultation feedback within their scoring and reported it to the Tender Evaluation Board.
25. The evaluation process has confirmed that the bid received is acceptable according to the evaluation criteria and can be recommended as a preferred bid. The bid achieves the majority of the key estate regeneration objectives set out in the Information & Development Brief for the site.
26. The recommendation therefore is to appoint Bouygues (UK) Limited as preferred bidder. The proposed scheme which is expected to start on site in early 2014, and be delivered by summer 2015, is attached at Appendix 1. The scheme will be subject to further necessary detailed design changes as it progresses through the planning process.
27. The preferred bidder will need to conclude the Development Agreement or relevant contracts in a form which is consistent with the content of their winning bid within a reasonable time after appointment, particularly given the need to begin work on site by early 2014. There is very little scope to

negotiate or vary the terms of such agreements from such form (both on account of public procurement constraints and the practicalities of time pressures) and any difficulties in relation to that process would need to be carefully managed. The preferred bidder will also need to enter into the HCA's Framework Agreement with the Council.

COMPULSORY PURCHASE ORDER (CPO)

28. In July 2011 Cabinet delegated authority to the Head of Property and Procurement to negotiate and acquire by agreement any legal interests or rights held in respect of the properties not held by the Council, using such acquisition powers as the Head of Legal and Democratic Services advised. In each case that was subject to confirmation from Capita, acting as the Council's valuers, that the price represented the appropriate Market Value.
29. Since then the site has vacated quickly and as at the start of January 2013 the site is 95% vacant with one Council tenant remaining to be re-housed and one leasehold property remaining to be acquired. The rapid site decant has brought forward discussions on early demolition of the vacant blocks on the site that would more readily enable the redevelopment of the site and reduce the opportunities for continual vandalism and the ongoing costs to the Council of securing and maintaining the site, whilst it is hoped it would also maintain some amenity for the residents living closest to the site.
30. Demolition of properties can only happen once vacant possession is achieved. At present Ashton House is vacant but leases and leasehold interests still remain at Somborne House, the dwellings at Kingsclere Close and the shops at the parade. Negotiations are continuing in order to purchase the remaining properties which are not held in Council ownership.
31. Should no agreement on acquisition of these interests be reached, and to ensure the redevelopment of this site can be guaranteed, and commence on site as soon as possible, it is necessary for authority to be obtained for a Compulsory Purchase Order to authorise the acquisition by the Council of any interests and rights in the land, flats and buildings thereon shown on the attached map in Appendix 4 under section 17 of the Housing Act 1985 for the purpose of erecting housing and facilities which serve a beneficial purpose for the future occupiers of the housing.
32. The Statement of Reasons for making the Compulsory Purchase Order is set out in Appendix 3. Authority is sought for the Head of Legal, HR & Democratic Service to be able to amend this as the compulsory purchase procedure progresses in accordance with the recommendations above.

HIGHWAYS CONSENTS

33. In order to be able to commence redevelopment, a number of highway rights which currently exist across the site would need to be extinguished. These include stopping up the publicly maintainable highway into Kingsclere Close, the precinct footpaths by the shops and the walkways linking Weston Lane to Kingsclere Avenue and a spur footpath off that linking to Ashton House.
34. The Council has power to make an application to the Magistrates court for an order authorising the stopping-up of public highway as Highways Authority under section 116 of the Highways Act 1980 where the public

highway is no longer necessary or there is another more commodious route. Alternatively public highway (for vehicular traffic, footways and verges) can be stopped-up or diverted by application to the Secretary of State for an order using section 247 of the Town & Country Planning Act 1990, to enable a development to proceed, once the planning permission has been granted. Section 257 of the Town & Country Planning Act can be used for footpaths (e.g. no vehicular traffic) so that the Council with authority from the planning panel can make an order and confirm it itself provided there are no objections.

35. The public car park at Weston Lane which provides 13 car parking spaces for customers of the shops at the parade would also need to be closed. This would need to be done through a Traffic Regulation Order (TRO) to remove the public's right to park, TROs are advertised to the public and any objections received are addressed by Highways engineers and reported back to the Highways Manager who has delegated authority to decide to make this order, which was formerly decided by Cabinet.
36. In accordance with the Council's development requirements the proposed scheme, which will be the subject of a planning application, will provide for 20 car parking spaces to support the new shops and Library and community facility thereby replacing the current parking provision at Weston Lane

CONSULTATION - PROCUREMENT OF A DEVELOPMENT PARTNER

37. Consultation has been undertaken with a range of bodies in the development of the estate regeneration programme including the Homes and Communities Agency both in their role as framework providers and as grant funders to the Registered Providers for the affordable housing. The cross-party Estate Regeneration Stakeholder Group, which also includes Council housing tenant representation, as well as the Estate Regeneration Programme Board have all played an important advisory role in the project.
38. A programme of initial consultation on the idea of redevelopment at Weston Lane Shopping Parade took place from March – June 2011. This followed submission of a petition by local residents to the Council in 2010 calling for regeneration at the site. All residents and businesses directly affected were visited individually to ensure that they understood the proposal to regenerate their areas. A Report on the consultation was appended to the Cabinet report in July 2011 and is available in the Members Room. The idea of redevelopment received a high level of support by residents. Further analysis of the public input into the project brief is at Appendix 5.
39. From May to July 2012 Officers met with the local community to explain the draft site Information & Development Brief and review the consultation that had taken place in 2011. The series of meetings also enabled a discussion about how the Library & Community Facility would be managed and what design elements should be included in the performance specification.
40. A further programme of consultation took place in January 2013 to show the public the proposals submitted by Bouygues. This involved three consultation events held in Weston which were managed by an independent facilitator:
 - Thursday 24th January 2013, 7.30pm – 9pm at Weston Court

- Friday 25th January 2013, 11am – 1.30pm at Weston Library
- Saturday 26th January 2013, 10am – 1pm at Weston Court

The community were able to express their thoughts about the proposals which has been set out in a report to feed back to the developers. Details of how that was addressed in the evaluation are contained within Capita Symonds' report at Appendix 2 (Exempt). Details of the consultation feedback are at Appendix 5.

41. The consultations were well attended with 44 questionnaires completed from the first two events alone. The proposals were thought to propose improvements to the site and the Weston area but there were a number of queries and concerns which are to be addressed further, including confirmation that a continuous Post Office service can be provided in Weston during the construction works.
42. In October 2010 the Government announced the introduction of a new social housing tenure called Affordable Rent as part of the Comprehensive Spending Review. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80 per cent of the local market rent. This applies to new build (and some relets of existing Housing Association owned social rented housing). Affordable Rent therefore is a key part of the funding regime to provide new social housing development. Housing Associations (now known as Registered Providers) have, from 2011, bid for resources to develop social housing based on the fact that these developments would be at Affordable Rent. Social Housing Grant has been secured for the Weston project on this basis and this has been made clear during consultation from the start of this project. The introduction of Affordable Rent tenure is a resourceful way of achieving more with less, but the new rent levels are significantly higher.
 During the consultations it was explained to the public that the new properties at the site would be owned and managed by a Registered Provider (housing association) and that the rents were going to be charged at 80% of the local market rent (Affordable Rent) and as such will be higher than the rents charged at the site by the Council, which has been made clear during consultation from the start of this project, especially for the residents who were decanted from the site and may wish to return to the redeveloped site. The new properties will be let through the Council's Homebid scheme.
43. Consultation has taken place with the Council's services functions also affected by the proposals. Weston Local Housing Office is closed to the public, but the office is still used by staff. It is proposed that once the unit is required for demolition the staff will be based at other Council premises.
44. Weston Library will be replaced by the new shared Library and Community Facility which will be managed by the Library Service. For the interim period re-location options in the Weston area are being considered and discussed with managers of the Library Service to ensure a suitable continuous provision of the service for the local community.

CONSULTATION - COMPULSORY PURCHASE ORDERS (CPO)

45. Capita Symonds have been continuing negotiations to acquire the leases and leasehold interests remaining at the site. These negotiations will continue throughout the Compulsory Purchase Order process.
46. Discussions have taken place with the Estate Regeneration Programme Board and Stakeholder Group regarding proposals to seek a CPO.

RESOURCE IMPLICATIONS

Capital/Revenue

Capital

47. The total developers' costs will be met by a variety of funding streams. Grant funding will be sought from the Homes and Communities Agency by the Registered Provider (housing association) for the element of the schemes which it is proposed that they will own and manage as affordable housing. The balance of the funding will be provided by the developer and the Registered Provider, who will also be managing the shared ownership and private sale dwellings.

Capital - General Fund

48. The replacement of Weston Library will be funded by the developer. It is expected that there will be minimal requirement for new furniture for the new Library and Community Facility. The Library Service has confirmed it intends to re-use furniture it has in the existing Weston Library within the Library part of the new facility.

Capital - Housing Revenue Account (HRA)

49. For the July 2011 Cabinet decision, a provisional budget was prepared. This forecast was based on estimates of the costs for relocations and the Council's enabling costs and forecasts total capital spending of £1.955M. This budget estimate only forecasts making statutory compensations where leases which had rights to renew under the Landlord & Tenant Act required such compensation. As the project has developed and timescales for getting on site can be more reliably made, a better assessment of CPO compensations has been possible. These higher costs have been estimated based on a worst case scenario from advice from Valuers. This has resulted in an estimated £300,000 increase to the Weston Shopping Parade Redevelopment Programme.
50. In addition, now that the Council is taking back the Library & Community Facility into its own management there will need to be monitoring costs to ensure the facility complies with what was specified in the tender documents. These cost estimates have been based upon the costs incurred for similar work at Hinkler Parade.

51. Demolition works had not been included in the original project budget estimate as it was anticipated that the Developer would undertake those works. The cost estimates for demolition have been prepared by Capita based on carrying out a single phase of demolition at the site. In addition to the demolition costs a payment will need to be made to the developer and there will be costs associated with highways works.
52. As previously reported at Cabinet in 2011, it had been the intention to seek to recoup this outlay from a combination of grants and capital receipts so that there is no net capital cost to the HRA at Weston Lane Shopping Parade. Over the course of the procurement process, with the change to HCA grant funding not being directly available to the Council, and due to the feedback from developers, it has been reluctantly accepted that there would be the need for the Council to cover enabling costs to ensure the development takes place. This means that there is a net capital cost to the HRA.
53. The HRA capital programme approved by Council on 13th February 2013 makes provision for this spending within the Weston Enabling Works Programme, phased as £700,000 in 2013/2014, £375,000 in 2014/15 and £250,000 in 2015/2016.
54. Unless the receipts from private market house sales exceed expectations, and trigger the overage provisions within the Development Agreement, there will be no additional receipts to the Housing Revenue Account.

Revenue - Housing Revenue Account

55. The proposals include plans to remove one local housing office unit which will reduce operating costs to the Housing Management Service.
56. The revenue budgets previously approved by Council in February 2011 made allowance for the revenue impact of the scheme at Weston. The loss in income from dwellings, shops etc. is approximately £223,000 in a full year. The annual revenue savings are approximately £48,000 and the saving on capital expenditure equates to approximately £181,000 per annum over 10 years, although most of this would have needed to have been spent in the next few years.

Revenue – General Fund

57. Retaining a Library at Weston and including it in the new parade will incur an ongoing revenue cost for its management, similar to the existing costs currently paid to maintain the Weston Library, as well as service charges which may be payable to the new landlord. There is no rental requirement for this new facility. As the Library and Community Facility is intended to be shared with other organisations, there may be costs for all the partners to share.

Compulsory Purchase Order

58. The cost of staff time to prepare the CPO will be met from existing resources or charged to the capital scheme, as appropriate.

Property/Other

Property – Site Assembly

59. The interests and rights in the land and properties are required for the purpose of erecting housing and facilities which serve a beneficial purpose for the future occupiers of the housing.
60. Demolition of properties can only happen once vacant possession is granted. The current position on acquisition to date is set out earlier in the report
61. Negotiations are continuing to purchase the remaining properties which are not held in Council ownership. Details of the current position have been given earlier in this report.
To ensure the redevelopment of these sites can be guaranteed, and to enable works to commence on site as soon as possible, authority is sought by this report to make a CPO under s17 of the Housing Act 1985 should it become necessary.
62. There still remains one Council tenant with a secure tenancy on their residential property at the site, as at 31st January 2013. If needs be the possession proceedings can be commenced to obtain possession of the property under the Housing Act 1985. The secure tenancy can be acquired as part of the CPO process.
63. The commercial tenants will be compensated in accordance with statutory valuation procedures which will be specific to each tenant as their occupation agreements and rights differ. The Estates Regeneration Team has produced and distributed information leaflets for residential tenants and property owners which set out statutory compensation arrangements.
64. Lettings of shops on Council estates are categorised as “social property” which recognises that the prime purpose for holding this type of property, and the way in which it is managed, is to support the service and community. It is anticipated that the existing non-commercial (community) tenants who currently occupy shop units at Weston Lane Parade would in future share the use of the Library and Community Facility. A management and use agreement would need to be drafted and which can be taken forward in due course.
65. An aspiration of the redevelopment was for continuous provision of the shops on the site during construction. This has not been possible as it threatened the timescales and increased cost. Some provision will however be made as the operator of the convenience store is currently proposing to temporarily relocate to an existing vacant retail premises in the vicinity of the site during the construction period, a period presently estimated to be between 18 and 24 months.
66. Due to the delivery requirements being imposed by the Council including the provision of a high density development, retail re-provision and provision of more affordable housing than normally required under current planning policy, the proposed disposal price is deemed to be at less than best consideration. A lower density housing scheme with no requirement to deliver a Library and Community Facility, less retail facilities, less affordable

housing and less retail/library parking would be anticipated to achieve a modest positive land value as explained in the Evaluation Report at (Appendix 2 exempt).

67. However, based on the specific scheme proposed it is considered that the proposed bid is reasonable and allows the Council to benefit from future uplift if the profitability of the scheme improves by way of an overage arrangement.
68. The Council has powers to dispose of vacant land at any price determined by the Local Authority under section 32 of the Housing Acts under General Consent A of the General Housing Consents 2012 and the recommendation for disposal is conditional upon the land becoming vacant following acquisition of all interests and the subsequent demolition.

Property – Council Services

69. This paper covers potential property disposals at a Council owned site, which is also the location for some local Council services including the Weston Library and the former Weston Local Housing Office.
70. Consultation and discussions have been ongoing since 2011 with Housing Management Service in respect of the proposals and to ensure that they agree with the proposals that are being developed for the Weston Local Housing Office to merge with the Peartree Local Housing Office.
71. In addition, consultation and discussions have been ongoing with the Library Service since 2011 on provision of Library services in the Weston area. There are limited suitable places in the area for the service to relocate to during construction, especially places that will enable public computer use. A mobile service is being considered, as are other options that will ensure that continuity can be provided. This was a particular concern for the local community.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

72. The Council has powers under various pieces of legislation to undertake these estate regeneration proposals:
 - The Housing Act 1985 Sections 17 and 32
 - The Local Government Act 1972 (section 120)
 - Sections 25 and 30 of The Landlord and Tenant Act 1954 to end commercial tenancies at the parade
 - The Land Compensation Act 1973 (as amended)
 - Land Acquisition Act 1981
 - Section 13 of the Local Government (Miscellaneous Provisions) Act 1976 to purchase any new rights over land adjoining the site
73. The Compulsory Purchase Order is to be made in accordance with section 17 of the Housing Act 1985 for the purpose of erecting housing and facilities which serve a beneficial purpose for the future occupiers of the housing.

74. The Council's powers in relation to stopping-up of Highways and closure of the car park are as set out in the report
75. In order to extinguish the Right To Buy completely, a Final Demolition Notice (FDN) has to be served on any remaining secure tenants within five years of the service of the Initial Demolition Notice at which time the Council must have concrete arrangements in place to purchase property which is not in its ownership. The Cabinet report of July 2011 authorised officers to serve an Initial Demolition Notice which was implemented in September 2011.

Other Legal Implications:

76. In recommending the making of CPOs the rights of third parties that may be affected (including the property rights of the current property owners of the sites) have been balanced against the public interest in acquiring the land. It is recommended that the Council can be satisfied that the proposed CPOs are necessary and proportionate having regard to the provisions of the Human Rights Act 1998 and is in the public interest having regard to both the need to provide good quality, energy efficient homes in areas where people wish to reside now and in the future and the need to regenerate this estate.

POLICY FRAMEWORK IMPLICATIONS

77. These proposals will help deliver the new homes including affordable homes required in both the Housing Strategy 2011-15 and as part of the Council's partnership with PUSH. The regeneration of Southampton's council estates will play an important part in delivering a number of corporate policy objectives for regeneration.

KEY DECISION? Yes/No

WARDS/COMMUNITIES AFFECTED:	Woolston Ward
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SUPPORTING DOCUMENTATION

Appendices

1.	Summary of the Developer Proposals – public consultation information
2.	Tender Evaluation Report - CONFIDENTIAL
3.	Statement Of Reasons For The CPO
4.	Draft Order Map For The CPO
5.	Consultation Feedback & Analysis: The Independent Facilitator's Report Analysis Of Public Consultation Input Into The Project

Documents In Members' Rooms

1.	Summary of Consultation, Weston (2011)
2.	EIA / IIA for Weston Shopping Parade Project
3.	Communication Summary For The Weston Shopping Parade project

Equality Impact Assessment

Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.	Yes/No
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Other Background Documents

Equality Impact Assessment and Other Background documents available for inspection at:

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
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1.	None	
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