
A separate report is submitted in the private part of the agenda in respect of this item, as it contains details of financial information required to be kept private in accordance with Schedule 12A of the Local Government Act 1972. The grounds for privacy are that it refers to the identity, financial and business affairs of organisations and the price they are to pay the Council under particular contracts for the disposal of interests in land and property.

Cabinet
Council

8th February 2011
15th February 2011

Name of Cabinet Member:

Cabinet Member (City Development) – Councillor Bigham

Director approving submission of the report:

Director of City Services & Development

Ward(s) affected:

St Michaels

Title:

City of Coventry (Far Gosford Street) Compulsory Purchase Order 2011

Is this a key decision?

Yes. Cabinet is asked to support the making of the City of Coventry (Far Gosford Street) Compulsory Purchase Order 2011 ("the Order") for the acquisition of land and buildings to facilitate the comprehensive regeneration of Far Gosford Street.

Executive summary:

Far Gosford Street is one of Coventry's most important historic Streets. The Council, working in partnership with Complex Development Projects Ltd, is transforming a run down quarter of the city into a vibrant business and residential district creating jobs and improving the environment. In 2009, as part of this process, the Council approved the making of a Compulsory Purchase Order (CPO) for Far Gosford Street. This order was made in 2009, however due to a combination of factors, not least the withdrawal of funding from Advantage West Midlands (AWM), the order had to be withdrawn.

Since the withdrawal of the CPO in November 2010 officers have worked with our development partner Complex Development Projects Ltd (CDP) to agree a revised strategy for delivering regeneration in Far Gosford Street. This revised strategy requires the making of the Order.

Land and property to be included in the Order is located within Sites 1 to 7 on Map 1 attached.

The cost incurred in making the Order is covered by existing funding but in the event that this is insufficient CDP will cover the additional costs for making the Order.

It is hoped that CDP can agree terms for the acquisition of the majority of properties in advance of a Public Inquiry however if this isn't possible the Order will be required to ensure all interests can be acquired and within a timescale which avoids undue delay to the proposed scheme being implemented, in particular with regard to any timescales imposed as a requirement to funding.

The Development Agreement between the Council and CDP will ensure that the Council is not exposed to any potential acquisition and/or compensation costs once the Order is confirmed and that all such costs lie with CDP.

Recommendations:

Cabinet is requested to support the making of the Order and recommend to Council the following recommendations:

- 1.1 Authorise the making of the City of Coventry (Far Gosford Street) Compulsory Purchase Order 2011 under Section 226 (1) (a) of the Town and Country Planning Act 1990 (as amended) in order to acquire the interests in the land coloured pink on the plan marked "Map referred to in the City of Coventry (Far Gosford Street) Compulsory Purchase Order 2011" displayed at the meeting, to enable the comprehensive regeneration of Far Gosford Street.
- 1.2 Authorise the Director of City Services and Development and the Director of Finance and Legal Services to advertise the Order and submit it to the Secretary of State for Communities and Local Government in accordance with the Acquisition of Land Act 1981 and to take all necessary steps to secure the confirmation and implementation of the Order, including, if necessary, presentation of the Council's case at public inquiry.
- 1.3 Authorise that, notwithstanding the recommendations above, attempts continue to be made to purchase the land interests by agreement in accordance with government circular 06/2004.
- 1.1 Agree the draft Statement of Reasons for making the Order, which is attached as Appendix A and delegate any changes to the Director of City Services and Development following the completion of the referencing of interests in the proposed order.
- 1.2 Authorise the extension and variation of the existing development agreement between the Council and CDP by a period of time so as to expire simultaneously with the expiry of the Order i.e. 3 years after the Order is confirmed by The Secretary of State.
- 1.3 Authorise the submission of an application by the Council to the European Regional Development Fund for grant funding for the development of plots 1, 2 and 7 shown on the Order Plan.

List of Appendices included:

Site location plan

Government guidance requires the following documents to be agreed by the Council:

Appendix A – Statement of Reasons

Appendix B - Schedule of Interests

Other useful background papers:

Paper	Location	Contact
Far Gosford Street Development Brief Jan 07	Web site or CC4 5.03	Richard Moon 02476 832350
Far Gosford Street Regeneration Strategy Aug 04	CC4 5.03	Richard Moon 02476 832350
Previous relevant public reports dated 10/3/09, 4/9/08, 4/12/07, 8/2/05	Web site	Lara Knight 024 7683 3237

Has it or will it be considered by scrutiny?

No

Has it, or will it be considered by any other council committee, advisory panel or other body?

No

Will this report go to Council?

Yes - 15th February 2011

Report title:

City of Coventry (Far Gosford Street) Compulsory Purchase Order 2011

1. Context (or background)

- 1.1 On 15th September 2009 Council resolved to make the City of Coventry (Far Gosford Street) Compulsory Purchase Order 2009. However in July 2010 it became clear that this CPO was no longer deliverable due to a number of factors relating to funding and highway orders. Accordingly the Council, after seeking legal advice, had no alternative other than to withdraw the CPO.
- 1.2 However it is clear that substantial regeneration benefits can still be achieved in Far Gosford Street, one of the city's oldest and best loved streets, including the delivery of a hotel/retail and housing scheme on Site 1, office buildings on Site 2 the creation of the Fargo creative village on site 7. In addition the Council is keen to secure the restoration of a number of historic properties in the street where the owners have failed to take up the opportunity of grant funding to restore the properties. The Order will encourage and achieve these regeneration benefits.
- 1.3 The proposals for Site 1 and 2 also include substantial highway improvement works which will be carried out by CDP. Applications for stopping up orders under s.247 Town and Country Planning Act 1990 are being made to the Secretary of State to enable certain existing highway rights to be extinguished so that the highway improvement works can be carried out.
- 1.4 Before the Order can be formally confirmed, the Secretary of State must be satisfied that there are no planning or financial barriers to the scheme. To this end, outline planning consent has been granted in respect of Site 1, full planning consent in respect of Site 2 and a planning application for Site 7 has been submitted which is expected to be determined before a public inquiry for the Order .
- 1.5 CDP have submitted grant applications to the ERDF in respect of Sites 1, 2 & 7. CDP must be able to demonstrate the availability of grant funding at the time of the public inquiry in order to demonstrate the viability of the Scheme to the Secretary of State.

2. Options considered and recommended proposal

- 2.1 Several courses of action are in hand to deliver comprehensive regeneration and avoid or reduce the need for the Order:
 - a) *The designation of Far Gosford Street as a Townscape Heritage Initiative* and the use of Heritage Lottery funding (THI grant) to refurbish historic properties through grants to property owners. This is beginning to make an impact, but, on its own, will not achieve comprehensive regeneration because of lack of grant take-up by some property owners and the fact that THI grant cannot be used to gap fund the assembly and development of vacant and derelict sites.
 - b) *The use of Town & Country Planning Act, Conservation Area and Listed Building powers.* These powers are being used, but are limited to the correction of previous planning breaches and do not represent significant investment.
 - c) *The use of Council owned land for development.* Where the Council owned land (including highway land) is available, this has been identified and earmarked for

- d) *Acquisition by negotiation.* Government guidance requires that every effort is made to acquire properties by negotiation in advance of the Order. These negotiations have been taking place with owners, leaseholders and tenants for several years and will continue alongside the Order process. It is hoped that the majority of interests can be acquired by negotiation. These properties will then be withdrawn from the Order.
- 2.2 Compulsory Purchase powers are sought under Section 226(1) (a) of the Town and Country Planning Act 1990. The properties acquired will enable the properties within the area of the CPO to be redeveloped or partially redeveloped and historic properties to be refurbished and protected. The public realm will be upgraded; and therefore this will result in the improvement of the environmental well-being of the area. In addition, there are a number of development opportunities which will be facilitated by the Order, thus contributing to the promotion of the economic well-being of the area.
- 2.3 Compulsory Purchase powers are sought for the following reasons:
- a) A developer is in place, supported by a legal agreement signed by both parties that will be activated upon Council approval of this report.
 - b) A development brief approved as Supplementary Planning Guidance is in place and the necessary planning consents are in place.
 - c) £2.5m of THI grant (ERDF & HLF) funding is already spent or committed on the refurbishment of historic buildings.
 - d) Every reasonable attempt has been made to agree the acquisition of properties or to secure the refurbishment of key historic properties by negotiation and such negotiation is continuing. However, if negotiation fails the Order will be required to purchase this land.
 - e) THI and ERDF grant funding is time limited. Further delay will result in the loss of grant funding
 - f) The Order will enable a scheme to be implemented which will promote the economic and environmental well-being of the Conservation Area.
 - g) The Council is legally obligated to make an order, as a last resort, under its agreement with CDP.
- 2.4 The previous proposal for the CPO covered a wider area than the present proposal. The scale of the Order has had to be reduced to reflect the need to present a viable and deliverable scheme in a more difficult funding environment.
- 2.5 The legal agreement between CDP and the Council requires CDP, subject to conditions being met, to undertake the restoration of all historic properties in the Order. However this is a last resort, it is hoped that voluntary agreements can be put in place whereby the owners take up grant assistance to restore their own properties. This will allow these properties to be withdrawn from the Order. Successful negotiations have already allowed a number of properties to be withdrawn from the proposed Order.
- 2.6 The agreement also allows CDP to undertake the new developments on sites 1, 2 & 7. These sites are only commercially viable with grant assistance. If the CPO is confirmed CDP are not legally obligated to carry out these schemes but the availability of grant assistance will incentivise them to do so.

3 Recommended Proposal

- a) It is therefore recommended that the Order is made.

4 Results of consultation undertaken:

- 4.1 The possibility of a Far Gosford Street CPO has been in the public arena since 2005, when Cabinet first resolved to use CPO powers in principle, if required. Public consultation on the Far Gosford Street regeneration framework (which shows how the area can be comprehensively improved) took place in 2004 through stakeholder interviews, community street audits, a sample resident survey, interviews with all business, focus groups, a shopper survey and an email, freepost and telephone hotline.
- 4.2 The need to displace and relocate residential owners or tenants will be minimised by arranging for them to remain in their property while refurbishment takes place and, wherever possible, offering displaced business tenants alternative accommodation in the street or elsewhere.
- 4.3 The making of the CPO attracted a number of objectors. A number of these objectors are no longer included within the land which is proposed to be acquired as part of the CPO. CDP are in negotiation with the remaining objectors to try and reach agreement for the project.

5 Human Rights

- 5.1 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.
- 5.2 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 Convention rights is considered justified in the public interest in order to secure the implementation of the redevelopment proposals.

6 Timetable for implementing this decision:

- 6.1 Key dates for the successful delivery of the Order are as follows:
- Serving of Notices: March 2011
 - Submission of the Order to Secretary for Communities and Local Government: March 2011
 - Possible Public Inquiry Procedure: estimated timeframe for this is between earliest date for Inquiry June 2011, latest October 2011
 - Confirmation of the Order: Late 2011
- 6.2 The above timescales are largely dependant on the performance of the Secretary of State, but are based on past performance of other CPOs.

7. Comments from Director of Finance and Legal Services:

7.1 Financial implications:

7.1.1 The total estimated value of the interests to be included in the Order are set out in your private report.

7.1.2 The Council has only limited information about individual property and business interests on which to base compensation estimates. Nonetheless, the estimates assume the worst case scenario and are based on total extinguishment of all interests. In reality, Sites 3 and 4 are likely to proceed without the need for the Order and others will be acquired by negotiation.

7.1.3 The costs of acquisition by negotiation will be met by CDP, thus protecting the Council from this financial risk.

7.1.4 The Order process and legal agreements between the three parties will ensure that the Council will not be required to acquire property interests until CDP is contractually obliged to purchase them, removing any permanent financial cost to the Council.

7.1.5 It is likely that there will be objections and that a public inquiry into whether the Order should be confirmed will be required.

7.2 Legal implications:

7.2.1 The making of the Order follows the statutory process set down in the Acquisition of Land Act 1981, as amended by the Planning and Compulsory Purchase Act 2004.

7.2.2 The enabling power in S226 (1) (a) Town and Country Planning Act 1990 (as amended) is being used as, in resolving to make this Order, the Acquiring Authority believes the scheme will improve the economic and environmental well-being of the Far Gosford Street area. Local authorities have powers under section 226(1)(a) of the Town and Country Planning Act 1990 to acquire compulsorily land in their area if the authority think that the acquisition will facilitate the carrying out of development, re-development or improvement on or in relation to the land, provided that the authority think that the development, re-development or improvement is likely to contribute to the achievement of any one or more of the following objects: the promotion or improvement of the economic well-being of their area; the promotion or improvement of the environmental well-being of their area; the promotion or improvement of the social well-being of their area. In this case, the use of compulsory purchase powers will promote the economic and environmental well-being of the area by redeveloping or partially redeveloping properties or refurbishing the historic properties on the sites identified on the Map attached. Accordingly, the Acquiring Authority believes that there is a compelling case in the public interest to make the Order, which outweighs the loss of the private sector landholdings. In this case, the Acquiring Authority considers that the resolution to make the Order does not breach the Human Rights Act.

7.2.3 The grant funding received by the Council for the Order and property refurbishment is to be subject to conditions which the Council will ensure are imposed upon CDP.

8. Other implications:

8.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?

8.1.1 The comprehensive regeneration of the Far Gosford Street area will transform a run-down quarter of the city centre into a thriving business and residential community, generate jobs, improve the environment, and attract investment and visitors from outside the city. This contributes to the following core aims: a prosperous Coventry; making Coventry an attractive and enjoyable place to be; making places and services easily accessible; encouraging a creative, active and vibrant city; improving the environment and tackling climate change.

9.1 How is risk being managed?

9.2.1 The Council will be indemnified by CDP against all acquisitions costs incurred under the CPO. CDP will put the Council in funds for all acquisitions under the CPO prior to the Council entering into a contract to purchase the properties.

It is possible that some occupants could serve a statutory Blight Notice, which would compel the Council, as Local Planning Authority, to acquire their respective interests. This would occur after the Order has been submitted to Department for Communities and Local Government for confirmation. If this happens, either CDP will put the Council in funds to acquire the property immediately or the Council may decide within three months of being issued with a blight notice to withdraw these properties from the Order. In either case CDP would indemnify the Council against costs.

9.2.2 It is a pre-requisite to a successful Order that negotiations should continue with owners to assemble land without the need for the Order. Failure to do this could increase the risk of the Order not being confirmed. This risk is being minimised by Council officers providing full support to the owners of historic properties throughout every stage of the planning, financing, contracting and implementation process and by CDP negotiating to acquire properties.

9.2.3 The Director of Finance & Legal Services has previously approved CDP's financial status.

9.2.4 CDP will need to have secured grant funding for the projects prior to any Public Inquiry in order to demonstrate deliverability to the Secretary of State. If the necessary funding cannot be secured the Council will not seek confirmation of the Order.

9.3 What is the impact on the organisation?

9.3.1 The Order process and public inquiry will generate additional work for City Services and Development Directorate and Finance & Legal Services Directorate. This will be absorbed within existing budgets & staff resources.

9.3.2 The Council will not be left holding any assets as a consequence of implementing the Order and any holding costs between acquisition and onward disposal to CDP will be minimal.

9.4 Equalities / EIA

9.4.1 An equalities impact assessment carried out for the Far Gosford Street regeneration project in 2008 concluded that the project is improving opportunities for residents and businesses representing over 40 different nationalities living or trading in the area.

9.5 Implications for (or impact on) the environment

9.5.1 The impact will be positive by re-using derelict land and reducing the carbon footprint by improving energy efficiency of old buildings. It is intended that new buildings are designed to BREEAM (the Buildings Research Establishment Environmental Method) very good standards. The project will also significantly improve the street scene.

9.6 Implications for partner organisations?

9.6.1 The Far Gosford Street and Charterhouse neighbourhoods will be improved. The project will help deliver the regeneration objectives of partner organisations Advantage West Midlands, the Coventry Partnership and the Coventry, Solihull and Warwickshire Partnership (CSWP). The project will also help to deliver the objectives of the crime and community safety partnership.

Report author(s):

Name and job title:

Richard Moon Senior Development Executive

Directorate:

City Services and Development Directorate

Tel and email contact:

024 7683 2350 richard.moon@coventry.gov.uk

Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
David Cockroft	Assistant Director	CS & DD	14/12/10	14/12/10
Julie Fairbrother	Comms Officer	Comms	14/12/10	15/12/10
Names of approvers: (officers and members)				
Finance: Phil Helm	Finance Manager	Finance & Legal	14/12/10	17/12/10
Clarissa Evans	Commercial Team Manager	Finance & legal	14/12/10	14/12/10
Director: Martin Yardley	Director	CS & DD		30/12/10
Councillor Bigham	Cabinet Member	CS & DD		10/1/11

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Appendix A – Draft Statement of Reasons

City of Coventry (Far Gosford Street) Compulsory Purchase Order 2011

Statement of Reasons for making the Order.

1.0 Introduction

- 1.1 This is the Coventry City Council's ("Council") statement of reasons for making an order entitled The City of Coventry Council (Far Gosford Street) Compulsory Purchase Order 2011 ("Order"). The land proposed to be compulsorily acquired pursuant to the Order ("Order Land") is situated within the Council's administrative area. The Order Land is described in greater detail in Section 2.
- 1.2 The Council is seeking to assemble in its ownership the land included in the Order to restore historic buildings, upgrade the public realm and promote new development on gap sites and vacant/derelict land ("Scheme"), as described more fully in Section 8 below.
- 1.3 The Order has been made pursuant to Section 226(1)(a) of the Town and Country Planning Act 1990 as amended by S.99 of the Planning and Compulsory Purchase Act 2004 ("1990 Act"), and the Acquisition of Land Act 1981 for the acquisition of the land within the area shown coloured pink on the Order Map. The Order has been made for the purposes of enabling the Scheme to take place. The Scheme is consistent with national, regional and local planning policy objectives for the area and in accordance with the Far Gosford Street Development Brief which was adopted by the Council as Supplementary Planning Guidance ("SPG") in January 2007 for the regeneration of land including the Order Land. The Far Gosford Street Conservation Area Appraisal Plan (2004) is also relevant to the Order Land.
- 1.4 The Order has been submitted to the Secretary of State for Communities and Local Government ("Secretary of State") for confirmation pursuant to the above Acts.
- 1.5 The Scheme is an integral and essential part of the Council's wider regeneration proposals for the City Centre. Further details of the Scheme are given at Section 7 and supporting planning policy is discussed further at Section 8.
- 1.6 Implementation of the Scheme requires the acquisition of land and property interests and the Council has made the Order to facilitate its construction. The Council has sought to notify all those who have an acquirable interest within the Order Land. It is clear that if implementation of the Scheme is to be achieved within a realistic timescale then compulsory purchase powers must be employed. ODPM Circular 06/2004 ("Circular 06/04") advises that it is often sensible for the formal CPO process to be initiated in parallel with negotiations to acquire the Order Land.
- 1.7 The Council recognises that a CPO can only be made if there is a compelling case in the public interest (paragraph 17 of Circular 06/04 refers). It is considered that a compelling case exists here.
- 1.8 The Council has consequently made the Order to secure the outstanding interests and new rights required to enable implementation of the Scheme in order to achieve the Council's adopted policy objectives and meet identified need. Owners of relevant interests who are willing to sell by agreement at market value in accordance with the compulsory purchase compensation code have been invited to enter into discussions. Such discussions will continue with a view to limiting the number of interests which need to be acquired compulsorily. The approach adopted is in accordance with the advice contained within Circular 06/04.

2.0 Background & Context

- 2.1 Far Gosford Street is a designated Conservation Area containing 13 buildings on the Statutory List of buildings of architectural or historic interest with a further 11 buildings on the Local List (non-statutory). It is also a defined Local Shopping Centre in the Coventry Development Plan (2001). In 1984 the construction of Sky Blue Way A 4600 created a barrier between Far Gosford Street and the Hillfields community to the north, making it more difficult for Hillfields residents to access local services in Far Gosford Street. This has hastened the street's gradual economic decline and opened up an unattractive frontage onto a busy and high profile transport corridor close to the City Centre.
- 2.2 A regeneration strategy was prepared by Colin Buchanan & Partners (with Donaldsons) in 2004 in close consultation with local stakeholders. This recommended a Regeneration Action Plan that was adopted by the Council's Cabinet in 2005. The physical components of the action plan were expressed in a Conservation Area Control Plan and Development Brief that were approved as Supplementary Planning Guidance by the Council's Planning Committee in September 2005 and July 2006 respectively, following further public consultation. The physical action plan essentially comprises three integrated elements: restoring historic buildings improving access and upgrading the public realm; and new development on gap sites and vacant/ derelict land. The Far Gosford Street industrial estate has since been earmarked as a location for the development of a creative business quarter whilst protecting the street's existing niche business.
- 2.3 The action plan led to the designation of the Conservation Area as a Townscape Heritage Initiative (THI) in 2005 and the award of £1.7m of Heritage Lottery Funding ("HLF") to help meet the 'conservation deficit' cost of restoring the street's historic fabric. Since then, THI grants have been awarded that have triggered the refurbishment and enhancement of 13 buildings and the construction of one new building on a derelict gap site as of March 2010. In order to address a shortfall in the THI property grant fund, a further application for £1m of European Regional Development Fund grant was made and further grant approved in October 2009.
- 2.4 Much of the public realm works have now been completed. These include making the street one way, widening the pavements, new highway surface materials, designated bays for on-street parking, new street furniture, bus shelters, and the extension and improvement of a public square at the top of the street. Subject to the outcome of the CPO and the success of funding applications, further public realm works are planned to improve the setting of the new developments, notably the creation of a pedestrian boulevard at the junction of Gosford Street and Far Gosford Street. Other improvements will include 'civic' trees and 'green walls' on the Sky Blue Way frontage to replace those lost to new developments, a signed cycle route along Sky Blue Way to link Gosford Green with Gosford Street, lighting improvements, more CCTV cameras and a pedestrian friendly environment at the Lower Ford Street spur that encourages pedestrians using the Sky Blue Way crossing to enter Far Gosford Street instead of using Sky Blue Way which will form part of the site 1 development. This work will improve the links between Far Gosford Street, Gosford Street and Coventry University and will complement further works planned to enhance the Gosford corridor into the City Centre.
- 2.5 In order to realise the development opportunities and assist the historic buildings restoration fund, a development partner, Complex Development Projects Ltd ("CDP"), was recruited in open competition in 2007

- 2.6 In order to establish the creative business quarter; the partly vacant Far Gosford Street Industrial Estate was acquired in 2009, with a view to establishing it as Coventry's primary location for creative enterprises to be branded FarGo Village.
- 2.7 Due to complex ownership issues, other sites and properties identified cannot be brought forward for new developments or refurbishments available through grant funding until property acquisitions are agreed, either by negotiation, or by CPO.
- 2.8 One to one meetings have been offered to all affected parties and these have taken place wherever possible to brief owners and businesses on the regeneration plans and grants available for property investment.

3.0 Description of the Order Lands, Location and Present Use

- 3.1 The Order Lands comprise the individual parcels listed in the Schedule of Interests. The buildings are in retail, residential and leisure use, being predominantly terraced ground floor commercial users with residential, storage or office use at first and, as appropriate, second floor level. Many of the upper floors are vacant or underutilised. All the Order Land is required to achieve the comprehensive restoration of historic buildings to a consistent standard and to achieve the cohesive design of new development on derelict, vacant and surplus land in accordance with the approved development brief by a single architect. The Council's development partner will lead the refurbishment and redevelopment of the properties in accordance with the brief.
- 3.2 This approach allows public sector funding to be drawn down from AWM and HLF and gives AWM, CDP and the City Council the flexibility to allocate grant efficiently between new development opportunities and historic property restoration.. This is important because the refurbishment of historic properties, in isolation, is uneconomic. Detailed development appraisals are being undertaken where necessary to establish the minimum level of public sector grant required.
- 3.3 Some of the historic buildings are in need of considerable repair and refurbishment. Some of the building restoration and new development projects already have full Planning and Conservation Area consent and, as appropriate, Listed Building consent. All the others are in the process of preparation, submission and approval. However, due to ownership and financing issues in some cases, construction cannot proceed without acquisition, either through negotiation or CPO.
- 3.4 Full details are contained in the Schedule of Interests, which is annexed to the Order but in summary, brief details are as follows:
 - 3.4.1 Site 1 (18-21 Far Gosford Street): This comprises a Council owned pay and display car park to the rear of 18-21 and two privately owned single storey brick built lock up shops at 18-21 in A1 and A3/A5 use, built in 1925. The extension of site 1 to form the larger development site will also include the stopping up of highway land as necessary.
 - 3.4.2 Site 2 (31-34 Far Gosford Street, 26/27 Far Gosford Street, 146 Lower Ford Street and land r/o 29-30 Far Gosford Street and 146 Lower Ford Street): 26/27 Far Gosford Street and 146 Lower Ford Street are Council owned properties used for commercial purposes in A1 and A2 use. 31-34 are privately owned shops in A1 uses on the ground floor, apart from 31, which is in A3 use, with a mix of commercial and residential uses on the upper floors; 31 is a much altered timber framed building of unclear date; 32 and 33 are statutorily listed timber framed buildings of the 15th or 16th century; 34 appears to be a 19th century brick building but its size and form again suggest a timber framed origin. The properties have inappropriate but functional corrugated asbestos sheet roofs. 31 is in A3

use and 32-34 are in A1 use and all are occupied. Land to the rear of 29-30 Far Gosford Street and 146 Lower Ford Street is in use as private rear yards, gardens and amenity space.

- 3.4.3 Site 3 (36-41 Far Gosford Street) 36/37 is a vacant, cleared site with planning consent for small shops and residential above that has changed ownership twice in two years.
- 3.4.4 Site 4 (58-60 Far Gosford Street): This comprises one partially demolished vacant shop and a former builder's yard to the rear in poor overall condition, the remainder of the site has been cleared pending redevelopment. Number 58 is fire damaged and partially demolished to first floor height, represents the surviving street-fronting portion of a former row of court dwellings known as Victoria Place built in 1839. Numbers 59-60 were formerly two storey buildings but this is now a cleared site awaiting redevelopment. -
- 3.4.5 Site 5 (65-72 Far Gosford Street): This comprises a parade of six statutorily listed three storey mid 19th century former weavers houses (67-72) with second floor "top shops" with neglected land at the rear. 67 is in A5 use, 68, 69 and 72 are vacant former shops (A1) with the upper floors in residential use, 70 is a vacant former shop and 72 is in A2 use without planning consent. The whole block is in poor overall condition. With the exception of the residential uses, all other upper floor space is vacant and in poor structural condition.
- 3.4.6 Site 7 (Unit 1 Far Gosford Street Industrial Estate): This is a retail warehouse with a mezzanine floor (Unit 1).
- 3.5 All the properties except Site 7 are on the northern side of Far Gosford Street approximately 800 yards (732 metres) east of the Council House in the city centre. The Ordnance Survey grid reference is SP3478NW.

4.0 Explanation of the use of the Enabling Powers

- 4.1 Compulsory Purchase powers are sought under S226 (1) (a) of the 1990 Act, to promote the economic and environmental well being of the area. As detailed below, the land and properties are required in order to redevelop or partially redevelop [five] sites and to refurbish historic properties on the remaining sites, thus requiring the promotion of economic and environmental wellbeing.

5.0 The Council's Purpose in seeking to acquire the Order Land.

- 5.1 The purposes of seeking to acquire land compulsorily is to facilitate the Scheme. The Scheme would, in the opinion of the Council, meet its planning policy objectives and the use of compulsory purchase powers would enable the Council's objectives to be met within a realistic timescale.
- 5.2 The Scheme (as described below in Section 8) has been identified by the Council as the best means by which to meet the Council's adopted planning objectives, by redeveloping or partially redeveloping three sites and refurbishing historic properties on the remaining sites and upgrading the public realm.
- 5.3 The regeneration of the Order Land comprises an important part of the wider regeneration for Coventry City Centre, including establishing a creative business quarter.
- 5.4 The use of compulsory purchase powers is now considered necessary, as attempts to persuade some property owners to refurbish their properties with the benefit of grant

assistance are making little or no progress. Further delay will see the properties deteriorate further to the detriment of the street as a whole. 58 has suffered a recent fire resulting in the loss of the first floor and roof. The Council considers that all possible measures must be taken now to prevent this happening elsewhere in the street, particularly as some of the properties are listed and all are situated within the Conservation Area. Furthermore, Heritage Lottery and European funds must be spent by March 2012 and the offer of Regional Development Agency Funding must be taken up to realise the identified development opportunities within the same timescale. Any further delay could risk the loss of grant which could trigger the subsequent withdrawal of the developer, CDP and further loss of the historic fabric of the conservation area.

- 5.5 The land and property must now be acquired if the development of sites and refurbishment of properties is to proceed comprehensively in accordance with the development brief. Moreover, although the overall development and refurbishment proposals are uneconomic without public sector grant, some of the development opportunities such as the extended Site 1 could yield a profit. If the sites are brought under a single ownership, public sector grant will be used flexibly and efficiently and any private sector profit used to cross-subsidise the redevelopment of unprofitable sites, thus minimising the public sector grant requirement.
- 5.6 The Council's development partner, CDP, will act as the 'developer of last resort' for the Council and main funding partners, ERDF and Heritage Lottery, should negotiations with individual owners break down. This means that, if all efforts to secure the refurbishment of historic properties and the development of vacant sites with the current owners through negotiation have failed, CDP will undertake this work on the Council's behalf within the required time scale necessary to retain allocated grant funding. This will also enable the Scheme to be undertaken comprehensively as a single package, using a consistent team of architects appointed by the developer, thus providing a consistent and unified design approach.
- 5.7 The proposed historic property restorations and site redevelopments will deliver the regeneration action plan and development brief in the timescale required by:
- providing a 'landmark' development at Site 1 with one or two high profile 'anchor' tenants;
 - maximising the development of vacant, derelict and neglected land;
 - complete the comprehensive refurbishment of historic properties in Far Gosford Street Conservation Area;
 - bring vacant space in historic buildings back into economic use;
 - building on and reinforcing previous investment in the public realm;
 - establishing a creative business quarter at the industrial estate, thus diversifying the area's economic base and therefore its long term stability by introducing a wider range of business uses;
 - further diversify the area's economic base by providing new small business accommodation at Sites 2;
 - introduce high quality residential accommodation in refurbished historic properties and new build; and
 - address the derelict appearance of the Sky Blue Way frontage by creating an active and attractive frontage on the prominent A4600 route into Coventry City Centre.

6.0 *The Council's Justification for Compulsory Purchase*

- 6.1 The third party interests in the Order Land mean that neither the Council nor CDP are in a position to progress the redevelopment of the sites and the refurbishment of the buildings. Ongoing negotiations with property owners since 2005 have highlighted a variety of obstacles: the inability of property owners to finance their required contribution; changing

unrealistic expectations concerning land purchase price and/ or the grant settlement; ownership; absent landlords; owners' frustration with the grant application process and information requirements; the frustration of others with the Conservation Area and Listed Building consent process; lack of owners' project management expertise or experience; and disputes between owners and their architects. Only those sites and properties considered to be a priority have been included within the Order and where it proves possible to proceed through negotiation compulsory purchase powers granted by the Order will be withdrawn.

- 6.2 In accordance with Circular 06/2004, negotiations to acquire the outstanding interests by agreement will continue with the individual owners and occupiers. However, compulsory purchase powers are sought to enable the proposals to be brought forward and completed within the available THI/ERDF budget and timescale.
- 6.3 It is expected that the combination of private investment and grant funding will facilitate the comprehensive refurbishment of all the target historic buildings and the realisation of most of the development opportunities in the brief. The Council does not believe that the regeneration action plan and development brief can be comprehensively delivered within the timescale or within the available resources by individual owner negotiation alone.
- 6.4 The Council believes the following reasons support the case for compulsory purchase:
 - 6.4.1 Properties have been changing hands without undergoing any investment or improvement, requiring property grant negotiations to be re-started with the new owners, new architects appointed and grants re-negotiated.
 - 6.4.2 Not enough property owners have agreed restoration projects by negotiation to spend all the available THI and ERDF grant funding in the required timescale and this funding is not eligible to be spent on the development of vacant sites. Furthermore, the prospect of a comprehensive approach through a development partner has attracted considerable additional funding for the development of vacant sites and on the establishment of a creative business quarter.
 - 6.4.3 The Council's agreement with CDP is conditional upon the use of compulsory purchase powers.
 - 6.4.4 The new development opportunities all require site assembly and a comprehensive approach to design and construction. By using a single team of architects, this will save money through economies of scale and create a more strategic and unified design approach.
 - 6.4.5 The scheme also allows for the refurbishment and development of key historic properties through a unified and consistent design approach.
 - 6.4.7 CDP has considerable experience of refurbishing listed buildings and regenerating historic areas, but cannot continue whilst the sites remain in fragmented ownerships.
 - 6.4.8 Realisation of development opportunities on the Sky Blue Way frontage helps to deliver the regeneration action plan. This cannot be controlled effectively by individual owner negotiation.
 - 6.4.9 The Scheme allows small business accommodation for creative businesses to be planned and delivered comprehensively, both in the proposed FarGo Village creative business quarter at the industrial estate and in other locations through the use of vacant space in historic buildings and new developments.

- 6.4.10 The Order will reduce the risk of a "pepper pot" approach where some owners participate in the grant scheme and others do not, leaving some areas incomplete.
- 6.4.12 It is estimated that the Order will help deliver [205 new jobs, safeguard 90 jobs, create 33 new businesses, lever £33m]. of private sector investment and restore 60 historic buildings and facades.
- 6.4.13 If the Order is confirmed, Far Gosford Street will be one of the first of ten identified major regeneration projects in Coventry City Centre to be completed. This, in turn, will inspire confidence in the Council's and its partners' ability to regenerate Coventry City Centre to the economic & environmental benefit of its residents.
- 6.4.14 The Order would enable a delivery programme to be agreed with the developer, Heritage Lottery and AWM, as the scheme would have more certainty.
- 6.5 The Council is using its power of compulsory purchase contained in section 226 (1)(a) of the 1990 Act because there is strong evidence that to acquire the land will facilitate the comprehensive regeneration of Far Gosford Street and that this will maximise the economic and environmental well being of the Far Gosford Street area.

7.0 Description of the Scheme.

- 7.1 All the proposed works are in broad accordance with the Far Gosford Street Development Brief, adopted by Panning Committee as Supplementary Planning Guidance in July 2006 (amended January 2007). This applies both in terms of specific proposals and in terms of the Brief's broad objectives for area's regeneration. As regards Site 7 in the Brief (the industrial estate), it is proposed that the Brief's requirement for an anchor retail store will now be satisfied on Site 1. The Brief's requirement to provide for a more diverse commercial base will now be satisfied by establishing a creative business quarter at the industrial estate (Site 7). The design and facing materials and the construction/repairs methods adopted will need to be in accordance with the Far Gosford Street Conservation Area Design Guidance Manual, which was adopted as Supplementary Planning Guidance in September 2005.
- 7.2 Site 1 (18-21 Far Gosford Street): this is located at a prominent traffic island at the junction of the A4600, and the Coventry Ring Road. The proposed 'landmark' development is likely to be up to 5 storeys, anchored by prominent hotel and retail operators. This would involve re-configuring the Sky Blue Way/ Far Gosford Street junction and enlarging the available development area. This would bring surplus highway land into economic use, extend 'active' frontage and help to reconnect Far Gosford Street with Gosford Street and the Coventry University campus.
- 7.3 Site 2 (26,27 Far Gosford Street and 146 Lower Ford Street, 31-34 Far Gosford Street and land r/o 29-30 Far Gosford Street and 146 Lower Ford Street). To the rear of these properties and on part of the service road, a two or three-storey development of retail and/or small business use is proposed at the ground floor, with residential above in the form of apartments. The frontage buildings are to be refurbished as one of a group of identified priority THI projects to refurbish historic buildings in the street. A shared private courtyard will separate the old and new buildings and provide for rear parking and servicing for the new and existing properties. The Council owned properties are earmarked for demolition and a timbered framed building be reinstated on its original historic footprint

- 7.4 [Site 3 (36/37 Far Gosford Street)]. The site of 36/37 has permission for A1 development, which is consistent with this approach.
- 7.5 Site 4: 58-60 Far Gosford Street is to be comprehensively redeveloped for A1 and/or A2 use at ground floor, with residential on the upper floors. The restoration of the partially demolished 58 is considered to be an important part of the street scheme and will be retained and reinstated. 59-60 is now a cleared site pending redevelopment. Planning applications have been submitted by owners for retail and residential use.
- 7.6 Site 5: (65-72 Far Gosford Street and right of way between 73 and 74 Far Gosford Street). The former Top Shops at 67-72 are to be retained and refurbished for a variety of Class A uses at ground floor and either small business (B1) or residential use on the upper floors.
- 7.7 Site 7: Unit 1 Far Gosford Street Industrial Estate is required to provide a multi-purpose small business, performance and exhibition space at the entrance to the new creative business quarter. The viability of the business plan for the creative quarter is dependent upon the acquisition of this unit to provide the necessary business and performance space to give the business quarter the necessary critical mass to be economically viable.

8.0 Planning Position of the Order Land

- 8.1 The Development is in accordance with national, regional and local plan policies. The Council has taken into account the advice of the Secretary of State issued in relevant national planning policies as well as the local planning policies and other material planning considerations referred to below, although this is not an exhaustive analysis.
- 8.2 The planning framework is set out in the Development Brief which is approved Supplementary Planning Guidance. Having been discussed with the Far Gosford Street Regeneration Partnership, a series of full planning applications are at various stages between preparation and approval by the City Council as Local Planning Authority and the expectation is that any necessary approvals will be secured by the time of the inquiry..
- 8.3 The Council believes that the Scheme is supported by the following Regional Spatial Strategy (January 2008) policies:
- 8.3.1 UR1: Implementing Urban Renaissance – the major urban areas;
- 8.3.2 UR3: Enhancing the role of City, Town and District centres;
- 8.3.3 CF1: Housing within Major Urban Areas;
- 8.3.4 CF4: The reuse of land and buildings for housing;
- 8.3.5 PA2 Urban Regeneration Zones – Far Gosford Street is within the Coventry and Nuneaton Regeneration Zone;
- 8.3.6 PA3: High technology corridors – the area is within the Coventry, Solihull and Warwickshire one;
- 8.3.7 QE1: Conserving and Enhancing the Environment;
- 8.3.8 QE2: Restoring degraded areas and managing and creating high quality new environments;

- 8.3.9 QE3: Providing a high quality built environment for all;
- 8.3.10 QE4: Greenery, Urban Greenspace and Public Spaces;
- 8.3.11 QE 5: Protection and Enhancement of the Historic Environment.
- 8.4 The following policies in the Regional Spatial Strategy Preferred Options document (December 2007) are also relevant: PA12A: Comparison Retail Floorspace Requirements 2006-2026 and PA13A: Office Development Requirements 2006-2026

The Local Planning Policy

- 8.5 The Coventry Development Plan defines Far Gosford Street as a Local Centre under policy S5. The following policies of the plan are relevant:
 - H9: Windfall Additions to Housing Land Supply;
 - H12: Design & Density of Housing Development;
 - EM4: Flood Risk and Development;
 - EM6: Contaminated Land;
 - H10: Affordable Housing;
 - S6: Ground floor Units in Defined Centres;
 - S10: Catering Outlets;
 - AM22: Road Safety in New Development;
 - BE2: Principles of Urban Design;
 - BE9: Development in Conservation Areas; BE10: Retention of Buildings in Conservation Areas;
 - BE11: Alterations or Extensions of Listed Buildings;
 - BE12: Change of use of Listed Buildings;
 - BE14: "Locally Listed" Buildings;
 - BE15: Archaeological Sites.
- 8.6 The City Council's Core Strategy has been submitted and was subject to an Examination in Public in autumn 2009. The Inspector issued an interim report in respect of the City Centre on 11 February 2010 and concluded that the submitted DPD is sound in respect of the policies and proposals for the City Centre, including policies SG19 and SG20, although he has made four recommendations for minor changes of wording in response to representations received and arising from the debates at the examination hearings to ensure clarity and consistency. The Inspector's report following examination of the Core Strategy is expected at the end of April. Relevant policies are:
 - SG 1: Development
 - SG 2: Sustainability
 - SG 7: Provision of New Housing
 - SG 10: Housing Needs and Mix
 - SG 12: Residential Density
 - SG 14: Overall Economy and Employment Strategy
 - SG 19: City Centre Strategy
 - SG 20: City Centre Quarters
 - EQ 1: Ensuring High Quality Design
 - EQ 5: Biodiversity, Geological, landscape and Archaeological Conservation

The Far Gosford Street area is proposed to be a part of an expanded City Centre and appropriate policies will be brought forward in the City Centre Area Action Plan 2008-21.

- 8.7 In addition, the following Supplementary Planning Guidance is relevant:

Far Gosford Street Development Brief adopted as SPG (July 2006, amended January 2007)

Far Gosford Street Conservation Area Character Appraisal & Policy Framework/ (September 2005)

Conservation Area Control Plan & Design Guidance Manual SPG (July 2006)

Design Guidance for New Residential Development SPG (1991).

- 8.8 As the scheme is supported by a Development Brief adopted as Supplementary Planning Guidance, there is no planning policy impediment to the grant of listed building and conservation area consents .

9.0 Government Policy Relating to the Order Lands.

- 9.1 The Government's approach to delivering sustainable development, set out in PPS 1, seeks social cohesion and inclusion, protection and enhancement of the environment, prudent use of natural resources and sustainable economic development. The comprehensive refurbishment of the identified buildings in partnership with a developer is expected to require significantly less from the public purse than individual refurbishment in partnership with the current owners. This demonstrates prudent use of resources. In addition, the comprehensive approach ensures that all priority projects can be completed within the timescale, providing some certainty that the environment of the area can be comprehensively enhanced.
- 9.2 The new build proposals are sustainable in that the businesses and residential accommodation are situated within a Local Centre and are also within walking distance of the City Centre. The creation of new commercial property will assist in improving the economic well being of the area.

An assessment of the Scheme against all of these policies shows that it is consistent with the policy and strategies in these documents.

10.0 Special Considerations affecting the Order Land and Special Category Land

- 10.1 All of the Order Lands are situated within Far Gosford Street Conservation Area and, as noted above, several of the buildings are statutorily listed. The Council is satisfied that the Scheme will be of benefit to the listed buildings and conservation area.

There are no special categories of land or consecrated land as defined in part three of the Acquisition of Land Act 1981.

11.0 The Views of Government Departments.

- 11.1 The Street has been designated a Townscape Heritage Initiative, which is administered by the Heritage Lottery Memorial Fund and a substantial grant has been awarded. It has also been awarded a European Regional Development Fund, administered through the Regional Development Agency, Advantage West Midlands. These processes involved outline and full application processes, which required the City Council to demonstrate, amongst other things, how the scheme helps to deliver local, regional and national policy.

12.0 Relocation of Occupiers.

- 12.1 Sites 1, 2, 5 and 7 contain occupiers who it may be necessary to relocate. In these circumstances, the Council and CDP will assist in identifying suitable alternative

accommodation, if possible within Far Gosford Street, and appropriate compensation will also be paid.

- 12.2 Residential occupiers affected by the restoration works will be accommodated based upon individual need and extent of disturbance caused by the Scheme. A compassionate approach will be adopted.

13.0 *Related Orders*

- 13.1 Alterations to the highway network are necessitated by the Scheme, as it will be necessary to close one access from the Sky Blue Way roundabout and part of two rear service roads which require Stopping Up Orders under s247 of the 1990 Act.
- 13.2 Applications for the Stopping Up Orders are being progressed and it is intended that an inquiry into any objections will be held concurrently with the public inquiry into the Order.

14.0 Human Rights Considerations and any other Considerations

- 14.1 The European Court of Human Rights has recognised that "regard must be had to the fair balance that has to be struck between the competing interests of the individual and of the community as a whole". Both public and private interests are to be taken into account in the exercise of the Council's powers and duties as a local planning authority. Any interference with a Convention right and, in particular, article 8 of the European Convention on Human Rights ("**ECHR**") and article 1 to the First Protocol must be necessary and proportionate. It must be carried out in accordance with the law.
- 14.2 The Council considers that there is a compelling case in the public interest for confirmation of the Order and that the Order, if confirmed, would be proportionate and would strike an appropriate balance between public and private interests. The rights of owners of interests in the Order Land under the Human Rights Act 1998, in particular the rights contained in Article 8 of the ECHR and Article 1 of its First Protocol, have been taken into account by the Council when considering whether to make the Order and when considering the extent of the interests to be comprised in the Order. In addition, having regard to the provisions of the 1990 Act and the guidance set out in Circular 06/2004, the Council considers that the Order Land is both suitable for and will facilitate the carrying out of development, redevelopment and improvement and will make a positive contribution to the promotion or achievement of the economic and environmental wellbeing of its area for the reasons explained in this statement. In short, the Council is of the view that the Order would be lawful, in the public interest, necessary and proportionate.

15.0 *Documents, Maps or Plans for the Public Inquiry*

- 15.1 In the event of a public inquiry, the Council will rely on the following documents, which will be made available for public inspection.

The Order and Order Map
The Coventry Development Plan
The Regional Spatial Strategy
Far Gosford Street Development Brief (Supplementary Planning Guidance)
Far Gosford Street Conservation Character Appraisal and Policy Framework/
Conservation Area Control Plan & Design Guidance Manual (Supplementary Planning Guidance)

Regeneration Framework and Action Plan for Far Gosford Street

16.0 Additional Information

Information about the project as it progresses is available on the Far Gosford Street website at www.fargosfordstreet.com.

17.0 List of Contacts

17.1 Further information may be obtained from the officers listed below during normal office hours or make an appointment to visit the Council's offices.

Details of Regeneration Proposals

Richard Moon
City Services & Development Directorate
Tel: 024 7683 2350

Developer Contract

Ian Harrabin, Managing Director
Complex Development Projects Ltd
89 Turnmill St
London
EC1M 5QU
Tel: (020) 7490 5387

Legal Enquiries

Amy Truman DLA Piper LLP Solicitors Birmingham

Conservation Area and Listed Buildings Enquiries

George Demidowicz, Conservation Officer, Regeneration Services, City Development Directorate,
Tel: 024 7683 1265

THI Project Management

Nicola Poole, Project Manager, Regeneration Services, City Development Directorate
Tel: 024 7682 2003

Compensation Issues

In any compulsory purchase order process the Council will seek to discuss compensation issues and to purchase properties by agreement, if possible, rather than compulsorily. Assistance is also available to help affected businesses search for alternative premises. Owners and tenants of property affected by the Order who wish to discuss such matters should in the first instance contact [].

18.0 Statutory Obligations

- 18.1 This statement of reasons is not intended to discharge the City Council's statutory obligations under the Compulsory Purchase by Non-Ministerial Acquiring Authorities (Inquires Procedure) Rules 1990.

**City Services & Development Directorate
Coventry City Council**



CITY SERVICES AND DEVELOPMENT DIRECTORATE
 STRATEGIC PROPERTY ASSET MANAGEMENT
 PROPERTY MANAGEMENT DIVISION
 FLOOR 9 CIVIC CENTRE 4
 MUCH PARK STREET
 COVENTRY CV1 2PY
 024 7683 3054



Martin Yardley - Director of City Services and Development
 Nigel Clews - Assistant Director Property Management

Area for the proposed City of Coventry (Far Gosford Street) Compulsory Purchase Order 2011

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