

**REPORT FROM: PLANNING, ECONOMIC DEVELOPMENT AND REGULATORY SERVICES MANAGER**

**TO: POLICY AND RESOURCES COMMITTEE**

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**TO CONSIDER THE COMPULSORY PURCHASE OF THE FORMER BLOCKBUSTER STORE, 45 MARKET STREET, COLNE**

**PURPOSE OF REPORT**

To inform Committee of the requirements of a CPO in the context of 45 Market Street, Colne.  
For Committee to determine if Pendle should pursue a CPO of the property.

**RECOMMENDATIONS**

- (1) That Committee note the information regarding the requirements for pursuing a CPO.
- (2) That Committee authorise the Chief Executive to establish the financial implications for pursuing a CPO and to bring a report back to Committee to consider these implications.
- (3) That a scheme for the potential redevelopment of the site be developed.
- (4) That discussions are undertaken with the owners of the building to ascertain if it can be purchased by negotiation and that a report be brought back on this within 3 months

**REASONS FOR RECOMMENDATIONS**

- (1) In order that Committee understand the process of pursuing a CPO.
- (2) The financial implications of pursuing a CPO need to be understood and provision made for the finances to be available in order to be able to successfully pursue a CPO and in order to understand the financial impact of doing so on the Council.
- (3) In order to assess the financial implications for redeveloping the site and to ensure a

scheme is in place should a CPO have to be pursued.

(4) To ascertain if the building can be acquired without the need to pursue a CPO

## ISSUE

- 1 A report was considered at the Committee meeting on 22<sup>nd</sup> August 2019. The report outlined the basic requirements for the compulsory purchase of 45 Market Street. The resolution was that a further report be brought back to the Committee looking in more detail about the compulsory purchase of the building.
- 2 The property was inspected on 4<sup>th</sup> October 2019. No work had been undertaken on the property since the minor cosmetic work of removing the fascia advert and painting the fascia black had been undertaken earlier in the year. The windows remain boarded with no work having been undertaken to maintain them.

## Compulsory Purchase

- 3 There are a number of CPO powers that are available to deal with an unsightly building. The National Parks and Access to the Countryside Act 1949 allows land to be acquired where it appears it is derelict, neglected or unsightly. There are also provisions under Section 226 of the Town & Country Planning Act 1990 (“the Act”).
- 4 The planning system allows, in certain circumstances, for Compulsory Purchase Orders (“CPO”) to be sought to acquire properties. Section 226 of the Town & Country Planning Act 1990 allows for CPOs to be pursued if the LPA thinks the acquisition will facilitate the carrying out of development, re-development or improvement on or in relation to the land. The land must be required for a purpose which it is necessary in the interests of the proper planning of the area. That power must not be exercised unless the re-development or improvement would achieve one or more of the following:
  - the promotion or improvement of the economic well-being of their area;
  - the promotion or improvement of the social well-being of their area;
  - The promotion or improvement of the environmental well-being of their area.
- 5 Guidance on the use of CPO powers is contained in the “Guidance on Compulsory Purchase Process and the Crichel Down Rules” published in July 2019. It is emphasised that the correct CPO power must be chosen that are appropriate to the situation. We have sought advice and the Planning Act has been advised to be the relevant legislation for the situation.
- 6 The building is in a parlous condition and is in a prominent position in the town centre. It suffers from the front glass window being broken, it has windows that are decaying and a significant number of them have been boarded up. This gives the impression of a derelict building that is being left to decay. The owners have done only a minor amount of work to the building. This has not resulted in any improvements to its appearance.
- 7 There are a number of issues that need to be considered whatever powers are used to compulsorily purchase land. CPO powers result in privately owned properties being forcibly taken away from owners. The powers can only successfully be pursued when there is a compelling case in the public interest to do so.

- 8 There must also be a number of other factors that are satisfied in order to pursue a successful CPO. The Guidance indicates that there must be a compelling case in the public interest and that the European Convention on Human Rights must be considered before making the CPO.
- 9 A number of factors must be considered including.
- Sources of funding.
  - Timing of funding
  - Clarity on how the land is intended to be used
- 10 The first consideration is what public benefits would accrue from the compulsory action. Fundamental to this is whether the interference with the private rights of the owners would be outweighed by the public benefits. Here essentially there would be an improvement to the public street scene and amenity of an area. This would in turn benefit the vitality and viability of the town centre by improvements to its fabric and bringing what looks like a dilapidated and abandoned building back into a condition more conducive to the appearance of the area. The building has been neglected over a long period of time. Despite attempts through the service of a Section 215 Notice, and two successful prosecutions, the owners have not done anything of note to bring the building back to a useful use. It is in a prominent location and is having a significant detrimental impact on the amenity of the area.
- 11 The impacts on the owners would need to be assessed. That has been difficult as there has been a reluctance to engage with us even during court proceedings. The Council should set out its intentions clearly to the owners and broker negotiations on the potential purchase of the building.
- 12 The track record and continuing inertia of the owners suggests that there will be no action to improve the building unless formal action is taken. It would however be prudent to try and acquire the building through negotiation prior to formally proceeding with a CPO.

### **Financial Implications**

- 13 In order to be able to secure the purchase and renovation of the building a scheme of redevelopment would need to be in place and the funds available to carry the work out. Planning permission exists for the creation of 5 flats on the upper three floors and retail uses at ground floor. A viable scheme including purchase costs, costs of pursuing a CPO and redevelopment costs would need to be developed and the funds made available to do so. This will be challenging in the current financial situation the Council is in. Unless there is a scheme and funding a CPO will not be successful.

### **Conclusions**

- 14 The compulsory purchase of the premises would deprive the owner of the building. It would result in the improvement of the area but that could also be achieved through carrying out works to the building and recharging the owners for doing so. There is a case in the public interest to do this but with the other avenues open to deal with it currently it is not considered that there is currently a compelling case. There is also no finance in place to fund the purchase and redevelopment and the costs of doing so could be considerable.

- 15** The prudent option would be to re-prosecute the owners and see if that persuaded them to improve the building and if that fails to carry out the work in default and recharge the owners for it.

## **IMPLICATIONS**

<b>Policy:</b>	The Local Plan and national planning policy seeks to ensure the vitality and viability of town centres. The parlous condition of the building would not contribute towards that. Improving the building would be in line with prevailing local and national policy on town centres.
<b>Financial:</b>	Funds for the acquisition and renovation of the property would need to be put in place to pursue a CPO.
<b>Legal:</b>	Acquisition by negotiation would not have legal implications. Pursuing a CPO would involve a detailed formal process.
<b>Risk Management:</b>	There are financial risks associated with pursuing a CPO. The costs of doing so would need to be considered against the value of a redeveloped site.
<b>Health and Safety:</b>	None
<b>Sustainability:</b>	None
<b>Community Safety:</b>	None
<b>Equality and Diversity:</b>	None