



CPO Example	Low Value Housing in Disrepair
Project Name	Cumbernauld Multi-Storey CPO Project
Acquiring Authority	North Lanarkshire Council
CPO Type	Planning

OVERVIEW

NLC has recently completed the third of a four phase CPO project for 12 multi storey blocks in Cumbernauld. This project has been progressed in partnership with Sanctuary Scotland Housing Association through the use of Agency Agreements and funded in part by the Scottish Government through the Affordable Investment Programme.

BACKGROUND

Originally there were 12 multi storey blocks of flats in Cumbernauld, comprising 566 flats in total, 62% of which were in private ownership when Sanctuary commenced negotiations with the owners. A study carried out in June 2011 by independent structural engineers, confirmed that all blocks were in a state of “serious disrepair” and ‘all blocks would require significant investment and repair’, and if ‘no action was taken they would continue to deteriorate which would eventually impact on their structural integrity’.

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The high level of owner occupation within the multi storey flats coupled with the low property values, and the fact that the properties were unmortgageable meant that it was unrealistic that owners were going to be able to fund their share of the necessary refurbishment costs and therefore an alternative solution had to be found. Therefore consideration was given to a more comprehensive, long-term solution to address the problems involving demolition and new build housing on the sites, on a phased basis over a period of approximately 10 years. The demolition of the blocks would allow the redevelopment of new homes of modern design, built to high quality, sustainable standards. Additionally the new homes would provide affordable housing, regeneration of the local area and additional significant community benefit.

The Scottish Government were approached and agreed, in principle, to provide the public sector resources necessary to implement the project over a 10 year period. The Scottish Government also confirmed that it considered the demolition and new build option as providing the most long term sustainable solution, and was therefore considered to represent value for money. Furthermore it was evident from Sanctuary’s community consultation that a high percentage of the residents were also in favour of the new build option.

Sanctuary commenced with the voluntary acquisitions. However there was an obvious risk that not all interests could be acquired voluntarily therefore Sanctuary approached the Council to promote a CPO. If successful this would ensure that all interests could be acquired and the project could proceed to completion. Given that the project would lead to the wider redevelopment of the area, it was decided to promote the CPO using the Planning Legislation.

The project involved the demolition of 12 multi storey blocks with associated lock-up garages and car ports spread over 4 sites. An Agency Agreement between the Council and Sanctuary has been entered into for each separate phase of the project. This Agreement regulates the obligations on each party with regard to costs etc and the transfer of the properties to Sanctuary on the Vesting Date. Voluntary acquisitions by Sanctuary continued in parallel throughout each CPO process.

As well as the obvious benefit of providing modern quality housing, the development provides wider public benefits. The development will integrate well with the surrounding area and will improve the residential amenity and sustainability. Also the investment in Cumbernauld's affordable housing stock has created many jobs and training opportunities for local people. Furthermore working in partnership with Sanctuary has contributed to the Council's Business Plan Priorities and Local Housing Strategy priority outcomes.

APPROACH

The draft CPO and supporting documents for the first phase were sent to the Scottish Ministers for technical examination and as a result of their response several changes were made to the documents before the first Order was made. NLC has found this service to be valuable, the process is quick and thorough and saves time in the long run.

In terms of timescales each phase took between 15-18 months from the date the Order was made to the Vesting date. These timescales were affected by objections received at phase 1 and 3, both of which were withdrawn but still delayed the process.

The Project could possibly have been completed sooner however Sanctuary, the Registered Social Landlord, were in control of when the Notices were served. Sometimes there was a delay in serving these Notices.

CONCLUSION & LEARNING POINTS

- Ensure that the agency agreement protects the Council's position whilst facilitating the project.
- Use the Scottish Government CPO Guidance.
- Ensure that the Statement of Reasons is robust.
- Use the technical examination service provided by Scottish Ministers.
- Make sure consideration is given as to whether burdens need to be preserved.¹
- If electricity sub-stations are included in the project area then engage early Scottish Power in order to avoid delay in the CPO process.

This project could not have been achieved without the use of CPO given the unwillingness of some owners to sell and the fact that several owners could not be located.

North Lanarkshire Council

¹ When land is compulsorily acquired the burdens will be extinguished. In this particular case we had to preserve some of the clauses from the Deed of Conditions as they affected other properties and could therefore not be extinguished.

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