Compulsory Purchase in Scotland





CPO Example	Phased Approach to CPOs
Project Name	Johnstone Castle Number 1
Acquiring Authority	Renfrewshire Council
CPO Type	Housing

OVERVIEW

In 2017, Renfrewshire Council used compulsory purchase housing powers to progress regeneration proposals for the Johnstone Castle area of Johnstone, Renfrewshire. As no objections were received the Order was able to be confirmed very quickly and the Council is now preparing to take ownership of the properties to enable demolition and redevelopment of the area to proceed.

BACKGROUND

Following a period of consultation in 2014, the Council's Housing and Community Safety Policy Board agreed to demolish 288 low demand tenement properties in the Johnstone Castle area, 257 of which were in Council ownership and the remaining 31 flats were in private ownership.

Regeneration plans were developed to address the lack of sustainable demand for properties which had reached the end of their useful life and which were incurring considerable revenue costs (through void rent loss and void repairs etc).

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As part of its regeneration strategy, the Council agreed to build new housing which better met current and future housing needs.

Following the decision to demolish, efforts were made between September 2014 and early 2017 to voluntarily acquire all 31 properties in private ownership in order to allow demolition works to proceed. The cleared site would then be used to develop 95 new affordable homes for Council social rent, with those displaced by the demolition who wanted to return to the area being accommodated within this new build Council housing.

APPROACH

Negotiations with owners to voluntarily acquire properties included acquisition by market value purchase, together with associated home loss/disturbance payments where applicable. Owners were also given the opportunity to exchange their property through an excambion process. These negotiations resulted in the voluntary acquisition of 24 properties by early 2017.

However, negotiations with the remaining 7 owners were unsuccessful and a decision was taken in January 2017 by the Councils Housing and Community Safety Policy Board to pursue the promotion and submission of a Compulsory Purchase Order (CPO) for the remaining privately owned properties in accordance with Scottish Government guidance.

It was agreed that two separate submissions should be made to Scottish Ministers to reflect the phasing of the regeneration programme. The first submission (Johnstone Castle Number 1) was submitted at the start of August 2017.

The CPO process was instigated by the Council following protracted negotiations and the failure to reach mutually acceptable terms.

CONCLUSION AND LEARNING POINTS

As no objections to the Compulsory Purchase Order were received an inquiry was not necessary and, as a result, the CPO was confirmed by Scottish Ministers at the start of September 2017, having taken around 5 weeks from submission to confirmation. This has allowed the Council to publish the Notice of the Confirmation prior to taking possession of the properties in late 2017 and highlights how quickly Orders can be progressed once formal proceedings are commenced.

The Council also made use of the Scottish Government's offer of a Technical Check ahead of submission to ensure that the submission included all required information before being presented to Scottish Ministers for confirmation which proved very helpful to the process.

"the Council continued to encourage owners to negotiate, stressing that the Council remained open to further discussion with either voluntary acquisition or an excambion option remaining available to affected owners"

Renfrewshire Council

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