

## Cabinet

<b>Report Title</b>	Cranford Street Compulsory Purchase Order - proposed amendment of scheme
<b>Date of Meeting</b>	Wednesday, 25 June 2025
<b>Report Author</b>	Hayley Insley - Capital Projects Manager
<b>Lead Officer</b>	Executive Director - Place
<b>Lead Cabinet Member(s)</b>	Cabinet Member for Regeneration & Infrastructure
<b>Why is this a key decision?</b>	To result in the Council incurring expenditure, the making of savings or the generation of income amounting to £1m or more.
<b>Wards Affected</b>	Soho and Victoria;
<b>Identify exempt information and exemption category</b>	Open
<b>Is the report urgent?</b>	<del>Yes</del> / No
<b>Reasons for urgency (only where applicable)</b>	n/a
<b>Appendices (if any)</b>	1. Plan showing land to be acquired

### 1. Executive Summary

- 1.1 This report provides an update on proposed changes to a previous Cabinet decision that authorised the Compulsory Purchase of a site at Cranford Street, Smethwick and requests authority to proceed with a revised scheme.

### 2. Recommendations

The Cabinet is recommended to:-

- 2.1 Note the updates to the Cranford Street Scheme since the the Cabinet decision of 16 November 2022 (minute 215/22 (1) (a)) ("the 2022 Resolution"), including the amendment to the figure of land to be acquired as part of the Cranford Street, Smethwick Compulsory Purchase Order from 1.67 ha to 1.96 ha and shown on the revised plan marked "Map referred to in Borough Council of Sandwell (Cranford Street, Smethwick) Compulsory Purchase Order" annexed to this report;
- 2.2 Consider the changes to housing numbers arising from the detailed design work and agree to pursue the making of the Compulsory Purchase Order (CPO) based upon the revised outcomes.
- 2.3 Delegate authority the Assistant Director for Legal and Assurance:
  - 2.3.1 to make a Compulsory Purchase Order under Section 226 (1) of the Town and Country Planning Act 1990 as amended by Section 99 of the Planning and Compulsory Purchase Act 2004, Acquisition of Land Act 1981, and Section 13 of the Local Government (Miscellaneous Provisions) Act 1976 to be known as The Borough Council of Sandwell (Cranford Street, Smethwick) Compulsory Purchase Order, in respect of approximately 1.96 hectares of land bounded by land to the south of Cranford Street as shown shaded pink on the attached plan or such lesser land as may be deemed necessary and also including the air space above an area lying to the north and south of the development during the construction as shown on the attached plan
  - 2.3.2 to use the Council's Compulsory Purchase powers to acquire land and property required for the Grove Lane Towns Fund project at Cranford Street, Smethwick.
  - 2.3.3 to take all necessary action to secure the making, confirmation and implementation of the Compulsory Purchase Order; and, if objections are received to the Compulsory Purchase Order, to make arrangements for public inquiries, including instructing external Counsel and Consultants to assist in the preparing of evidence and the presentation of the Council's case at any public Inquiry.
  - 2.3.4 in the event of the Compulsory Purchase Order being unopposed, and the Council thereby being granted powers to do so by the Secretary of State for Housing Communities and Local Government, to confirm the above order and serve all necessary notices to implement the Compulsory Purchase Order, including the issuing of sheriff warrants.

- 2.3.5 to prepare and seal the necessary documents in connection with the CPO and submit the CPO to the Secretary of State for Housing Communities and Local Government to confirm.
- 2.3.6 to enter into any licences, undertakings or other agreements to facilitate the Compulsory Purchase Order, on terms to be agreed by the Executive Director Place.
- 2.3.7 in the event of the Compulsory Purchase Order being confirmed by the Secretary of State for Housing Communities and Local Government, to serve all necessary notices to implement the powers of compulsory acquisition, including the making of General Vesting Declarations; notices to treat; notices of entry; and to take all other requisite steps to obtain possession of the properties; and, where possession has not been given, to obtain a Sheriff's Warrant for possession of any lands.
- 2.3.8 to acquire the necessary interests in the land and property included in the confirmed Compulsory Purchase Order, on terms to be agreed by the Executive Director Place, or as ordered by the Lands Tribunal.
- 2.3.9 to enter into, or execute under seal, any documentation in relation to award of the contract and/or development/partnership agreement, licence, undertaking, framework joining agreement and any other agreements with the procured contractor/s as may be deemed necessary to facilitate development of the site, on terms and conditions to be agreed by the Executive Director Place.
- 2.4 Delegate authority to the Executive Director Place to make minor amendments to the (Cranford Street, Smethwick) Compulsory Purchase Order and, more particularly, marked "Map referred to in Borough Council of Sandwell (Cranford Street, Smethwick) Compulsory Purchase Order" prior to it being made and submitted for confirmation.
- 2.5 Delegate authority to the Executive Director Place to continue negotiations and to acquire land and property within the proposed Order lands, on terms to be agreed, in advance of confirmation of the Compulsory Purchase Order by the Secretary of State, and subject to the availability of finances.

### **3. Proposals – Reasons for the recommendations**

- 3.1 On 16 November 2022, Cabinet recommended approval to undertake compulsory purchase of a site south of Cranford Street, Smethwick. The site had been included in a submission to the Ministry of Housing, Communities and Local Government as part of the Smethwick Town Deal and was subsequently awarded £4.35m of funding.

- 3.2 The report in November 2022 outlined the need for this site to progress with the delivery of transformational change in the area surrounding the new Midland Metropolitan University Hospital to create a new residential community with associated social infrastructure. The site is allocated for housing in the existing and emerging Local Plan and is included in the Grove Lane Masterplan that was approved by Cabinet on 9 February 2022.
- 3.3 Funding from the Town Fund would enable the acquisition of the site, with demolition of the buildings and remediation of the land. Negotiations with the landowner have been unsuccessful so far and therefore Cabinet was requested to give approval to the council to use its powers to acquire the site via the making of a Compulsory Purchase Order.
- 3.4 Preparation for the Compulsory Purchase Order commenced with Land Referencing. This exercise identifies any land and their ownerships that would need to be included within the Order. The Land Referencing identified an existing over road bridge link between a building on the Order Land to a building on a site north of Cranford Street. The bridge link is not registered with the Land Registry and following enquiries with the owners of the site to the north, it was established that the link had been bricked up many years ago and was no longer in use. However, due to the proposed demolition of the building on the CPO site, it was recommended that this link, together with the highway below was included in the Order to ensure that there was no impediment to development in the future.
- 3.5 In order to ensure that all the land and buildings required for the project are acquired, this has resulted in a slight extension to the boundary to be included in the CPO, increasing the site size from 1.67 ha to 1.96ha.
- 3.6 In addition, following advice from Legal, it was concluded that whilst the site had an allocation in the Local Plan and the benefit of an approved masterplan, having an approved planning application for a residential scheme would be of benefit. This would demonstrate to the Planning Inspector at Inquiry that there was likelihood a housing scheme could be delivered thereby justifying the CPO and making a more robust case for acquisition.
- 3.7 The Grove Lane Masterplan, approved in February 2022, provided high level figures on the potential capacity of each site contained within character areas of the masterplan and also indicated the likely density and housing mix. The site subject of this Compulsory Purchase Order is only part of the Cape Arm Character area that has the potential capacity of up to 170 units of fairly high-density housing. The portion of land to be acquired was initially considered capable of delivering in the region of 145 of those 170 units. However, once more detailed design work had been undertaken, taking into account spatial requirements for the units themselves, the inclusion of green space, distancing and car parking requirements, it became apparent that it was unlikely that we would be able to achieve the original figure, and a scheme of approximately 100 units would be more acceptable.

- 3.8 Whilst the number of units has reduced by almost a third of the original estimation, the provision of new homes in this key regeneration area is still one of the council's priorities for the Regeneration Pipeline. It will assist in meeting some of the council's housing needs, including affordable housing whilst contributing to the environmental improvements to the area in line with the Smethwick to Birmingham Corridor Framework and Grove Lane Masterplan
- 3.9 This report seeks to confirm that the 2022 Resolution by Cabinet to proceed with the Compulsory Purchase Order for this site would still be supported taking into account the change to site area and potential reduction in housing units.
- 3.10 Save where updated by this resolution, the reasons for the recommendations and information in the 2022 Resolution by Cabinet remain up to date

#### **4. Alternative Options Considered**

- 4.1 Option 1: Not progress with the CPO and not deliver the Towns fund project leading to clawback of funds by MHCLG with potential reputation of the council at risk.

#### **5. Consultation**

- 5.1 Consultation has been undertaken in previous years on both the Towns Fund project within Grove Lane, as well as the proposed vision within the Grove Lane Masterplan. Therefore, the aspirations for the wider regeneration of the Grove Lane area to complement the investment by the NHS Trust in the new Midland Metropolitan University Hospital is well documented and supported.
- 5.2 The changes to the proposed scheme as outlined in this report has derived from consultation with legal colleagues and advice from Counsel. They have advised that a refreshed report is considered and approved by Cabinet to ensure that the changes to the amount of land to be acquired and the reduction of housing units would still gain the support of Cabinet. This would also ensure that a decision was made on the current information and reduce the risk of future litigation should objections be made to the CPO when submitted.
- 5.3 The change of housing numbers from 145 to up to 100 will also need to be reported to MHCLG as part of the Towns Fund monitoring process which will be undertaken in due course.

#### **6. Financial Implications**

6.1 There are no financial implications arising from the changes proposed in this report. Whilst the land take has increased slightly, this is mainly highway land which is already adopted by the Local Highway Authority and therefore will result in no further costs for acquisition.

6.2 Any costs for acquisition will be met by the existing Town Fund Grant of £4.35m.

## **7. Legal and Governance Implications**

7.1 S.226 of the Town and Country Planning Act 1990 (TCPA 1990) authorises local authorities to compulsorily purchase land if the authority thinks that the acquisition will facilitate the development, redevelopment or improvement of land, or acquisition is required to achieve the proper planning of an area. Before a CPO can be implemented, the acquiring authority will have to justify it to the Secretary of State. The local authority must be able to demonstrate, in respect of the CPO, that:

- It is authorised by statute to purchase land compulsorily for a particular purpose and the CPO is necessary to achieve this purpose.
- There is a compelling case in the public interest that sufficiently justifies interfering with the rights of those with an interest in the land affected. In this case that the scheme will improve the economic, social or environmental wellbeing of the area.
- Adequate resources are (likely to be) available to implement both the CPO and the CPO scheme, within a reasonable time frame. (This would include any financial contributions from other bodies, including the private sector).
- There is a reasonable prospect of the CPO scheme going ahead. For example, the scheme is unlikely to be blocked by the programming of any infrastructure or remedial work that may be required or the need for planning permission or other consent or licence.
- There is no alternative site or alternative means of bringing about the objective of the CPO.
- The CPO is a measure of last resort and that negotiations for acquisition by agreement have been pursued but have proved fruitless.

7.2 The above consideration factors have been tested and applied through this report and previous decisions of Cabinet relating to this proposed acquisition. Legal Services, in conjunction with external advisers, will continue to monitor the progress of the CPO to ensure compliance with legislation and that the Council is on track to achieve a successful acquisition via CPO powers.

7.3 S.9D of the Local Government Act 2000 requires that all functions of a local authority are the responsibility of the executive unless otherwise specified in regulations. The discharge of functions in relation to regeneration and in particular the making of a Compulsory Purchase Order are not specified within regulations as to not be functions of the executive. Therefore, this is an executive power to be exercised by the Cabinet which is consistent with previous decisions made on this matter.

- 7.4 The Compulsory Purchase Order for the Cranford Street site is due to be submitted to the Secretary of State imminently. It is highly likely that objections will be made to the Order which will result in a Public Inquiry. This report seeks confirmation that, since the last report on 16 November 2022, Cabinet would still be supportive of making the CPO based upon the new information included in this report.
- 7.5 Should Cabinet be minded to confirm its support to continue with the CPO on the above terms, this will reduce the potential for future litigation by interested parties and reduce the risk of challenge at Public Inquiry.
- 7.6 Apart from the named changes within this report i.e. reduction of outcomes from 145 to 100 units and increase of land to be acquired from 1.67 ha to 1.96ha, all other recommendations from the report on 16 November 2022 remain the same.

## **8. Risks**

- 8.1 A Risk Register is in place to manage the risks associated with this project in line with the council's risk management procedure.
- 8.2 The main risk associated with this project is that of future litigation from objectors who may challenge the original authorisation to undertake the Compulsory Purchase Order based upon a figure of 145 units being the justification for making the Order, whereas in reality it is likely to reduce to up to 100 units. In seeking further authority of Cabinet to consider these changes and to authorise continuation of the CPO, it can be proved that Cabinet supports the acquisition based upon revised evidence which will reduce or even remove this risk.

## **9. Equality and Diversity Implications (including the public sector equality duty)**

- 9.1 An EQIA has been undertaken for the project and no concerns were identified.

## **10. Other Relevant Implications**

- 10.1 None.

## **11. Background Documents**

None.

## **12. How does this deliver the objectives of the Strategic Themes?**

This report will support the delivery of the following Strategic Themes:-

- Living in Sandwell
- Healthy in Sandwell

The Smethwick to Birmingham Corridor Framework was produced in collaboration with a range of other agencies such as Birmingham City Council, Homes England, WMCA and the Sandwell and West Birmingham NHS Trust. The Framework sets out guiding principles which should be used when bringing forward new development within this corridor which will assist in bringing forward healthy living and lifestyles.

The development of this site lies within that Corridor vision and more importantly within the Grove Lane Masterplan. Acquisition of this site will enable the council to drive further regeneration into the area, meeting housing need and creating improved environments in which people can live healthy and happy lives.



## Relevance Check

**Budget Reduction/Service Area:**

**Service Lead**

**Date:**

In what ways does this Budget reduction have an impact on an outward facing service? How will the service feel different to your customers or potential customers?

N/A

If not, how does it impact on staff e.g. redundancies, pay grades, working conditions? Why are you confident that these staff changes will not affect the service that you provide?

N/A

Is a Customer Impact Assessment needed? No