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<b>Report To:</b>	<b>Inverclyde Council</b>	<b>Date:</b>	<b>5 December 2019</b>
<b>Report By:</b>	<b>Head of Legal &amp; Property Services</b>	<b>Report No:</b>	<b>GM/LP/140/19</b>
<b>Contact Officer:</b>	<b>Gerard Malone</b>	<b>Contact No:</b>	<b>01475 712710</b>
<b>Subject:</b>	<b>Proposed Compulsory Purchase Order - Babylon, West Stewart Street, Greenock</b>		

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## 1.0 PURPOSE

1.1 The purpose of this report is to request that the Council seeks to promote the Compulsory Purchase Order at Babylon, West Stewart Street, Greenock in order to improve the conditions of the West Blackhall Street area and to assist making Greenock town centre a successful and attractive place.

## 2.0 SUMMARY

2.1 The Local Development Plan identifies the importance of Greenock town centre and making the town centre a successful and attractive place is integral to the three Local Outcomes Improvement Plan priorities of repopulation, reducing inequalities and supporting environment, culture and heritage.

2.2 At its May 2019 meeting, the Environment & Regeneration Committee considered a report by the Head of Regeneration & Planning on under-utilised sites in Greenock town centre. That report underlined the significant investment that is in hand in improving the public realm of West Blackhall Street, Greenock. The Committee considered the strategic background to intervention and decided to use Scottish Government Town Centre Fund allocation to contribute towards bringing one or more of the under-utilised sites and buildings referred to within that report into productive use for the benefit of the community.

2.3 At its August 2019 meeting, the Environment & Regeneration Committee considered the report by the Head of Legal & Property Services on the background to the Babylon, West Stewart Street building and site and the background involving contact with the owners of the building over an extensive period. From the terms of that report, it was requested that a further report be submitted to the Council at its December meeting so that a decision may be made as to whether to continue to attempt voluntary negotiations or otherwise to seek the promotion of a Compulsory Purchase Order.

2.4 Following upon contact and discussions with the owners, it is clear that voluntary negotiations are unlikely to be agreed at this time and, so, for purposes of implementing the Council's strategy in the area, the seeking of compulsory purchase powers will be necessary.

## 3.0 RECOMMENDATION

3.1 That the Council approves the promotion of a Compulsory Purchase Order for the building at Babylon, West Stewart Street, Greenock and that it be remitted to the Corporate Director Environment, Regeneration & Resources in consultation with relevant Officers to progress and report thereon, in due course.

## **4.0 BACKGROUND**

- 4.1 The site at Babylon, West Stewart Street, Greenock is shown in **Appendix 1**. The site of the building amounts to 1,060 square metres or thereby. The building and site are in a dilapidated condition within Greenock Town Centre and all attempts thus far to develop the site for affordable housing or for it to be acquired voluntarily by the Council have failed. The site is in the current Strategic Housing Investment Plan and it is in the public interest for it be acquired and remediated.
- 4.2 The approved Local Development Plan identifies the importance of Greenock town centre. In addition, the Council recognises that making Greenock town centre a successful and attractive place is integral to the three Local Outcomes Improvement Plan priorities of repopulation, reducing inequalities and supporting environment, culture and heritage.
- 4.3 At its May 2019 meeting, the Environment & Regeneration Committee considered a detailed report by the Head of Regeneration & Planning to identify under-utilised sites in Greenock town centre, including the Babylon, West Stewart Street, Greenock building. The Committee decided that the under-utilised sites identified within that report be prioritised and requested Officers to engage with their owners potentially to advance any redevelopment of the sites within the terms of its strategies. The Committee also decided that the Scottish Government Town Centre Fund allocation be used to contribute towards bringing one or more of the under-utilised sites and buildings referred to in the report into productive use.
- 4.4 At its August 2019 meeting, the Environment & Regeneration Committee considered a report by the Head of Legal & Property Services on the background to the Babylon, West Stewart Street, Greenock building and site and history of contact with the owners. From the terms of that report, the Committee requested that a report be considered by the Council at its December 2019 meeting on any progress and to determine whether a Compulsory Purchase Order should be sought.

## **5.0 CURRENT SITUATION**

- 5.1 The site is in a dilapidated condition and is under-utilised to the detriment of the vicinity of the West Blackhall Street area and to Greenock town centre. The Council has identified the West Blackhall Street area for substantial investment and improvement in the public realm.
- 5.2 There has been further contact with the owners of the site and there has been discussion of a joint venture approach but it is clear that voluntary negotiations will not conclude at this time. Following upon a number of unsuccessful attempts to establish joint venture arrangements with local Registered Social Landlords, Officers remain to be convinced that a joint venture proposal could be developed based on the land value expectations of the owners. In terms of its priorities, the Council will now seek to compulsorily purchase the site. Following any approved acquisition by compulsory purchase, the site will be the subject of demolition and investment in terms of the Council's strategies for improving this vicinity and realising the planning strategy for this area.
- 5.3 The cost of acquiring the site would be met by the Town Centre Fund if funding timescale eligibility can be met, otherwise the funding would be sourced from the Town Centre Regeneration Forum allocation. A comprehensive statement of reasons supporting the compulsory purchase of the site will be prepared and will require to be submitted to Scottish Ministers for consideration.
- 5.4 The owners will continue to be given the opportunity to sell their property on a voluntarily basis throughout the duration of the Compulsory Purchase Order process. The legal and financial issues relative to the seeking of compulsory purchase powers together with the relevant implications have been noted in the report to the Environment & Regeneration Committee meeting in August 2019.

## 6.0 IMPLICATIONS

### 6.1 Finance

The Council has been awarded £660,000 from the Scottish Government Town Centre Fund. The acquisition of land and buildings as part of a strategic vision in terms of the Local Development Plans is an acceptable use of this funding provided that timescale eligibility could be met. Otherwise this would come out of the Town Centre Regeneration Forum allocation.

#### Financial Implications:

##### One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
Greenock Town Centre Fund/Town Centre Regeneration Forum Allocation	Site Acquisition	2020/21	£TBC		District Valuer assessment

##### Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A	N/A	N/A	N/A	N/A	N/A

### 6.2 Legal

There is a statutory process for seeking and obtaining compulsory purchase powers. The Council does not have any power to compulsorily acquire any land until the Compulsory Purchase Order is confirmed by Scottish Ministers. The use of any compulsory purchase powers is a significant step that must be carefully considered as it affects a person's property rights and the benefits of any intended Council projects and priorities must be balanced against the rights of landowners and any others with an interest in the land. The principle to be followed is that a Compulsory Purchase Order must be done efficiently and fairly and that uncertainty for landowners and those affected by the compulsory powers should be minimised wherever possible. There is a detailed process for objecting to the seeking of compulsory purchase powers and Scottish Ministers may confirm, modify or reject orders without the need for any form of hearing. Equally, however, Scottish Ministers may arrange for a Public Local Inquiry to be held for objections to be considered or through the written representations procedures. It is possible for the Council at any time to negotiate with objectors prior to any public inquiry or, where relevant, during their written representations procedure. If the Compulsory Purchase Order is confirmed, there are a number of ways for the Council to acquire the land:-

- (a) by agreement;
- (b) notice to treat;
- (c) general vesting declaration; or
- (d) blights notice.

These detailed issues are noted in full in the August 2019 report to the Environment & Regeneration Committee. In terms of setting the price, the Lands Tribunal for Scotland has the statutory power to deal with any aspect of disputed compensation arising from the compulsory purchase.

### 6.3 Human Resources

There are no personnel implications associated with this report.

### 6.4 Equalities

#### Equalities

This initiative will help deliver key strategic outcomes relative to the Local Outcome Improvement Plan and to the Greenock charrette. The project will have a positive impact on the amenity of the West Blackhall Street area and on residents' quality of life. The project will improve the standard of accommodation available for residents and the housing conditions within Inverclyde.

(a) Has an Equality Impact Assessment been carried out?

	YES
X	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
X	NO

(c) Data Protection

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
X	NO

### 6.5 Repopulation

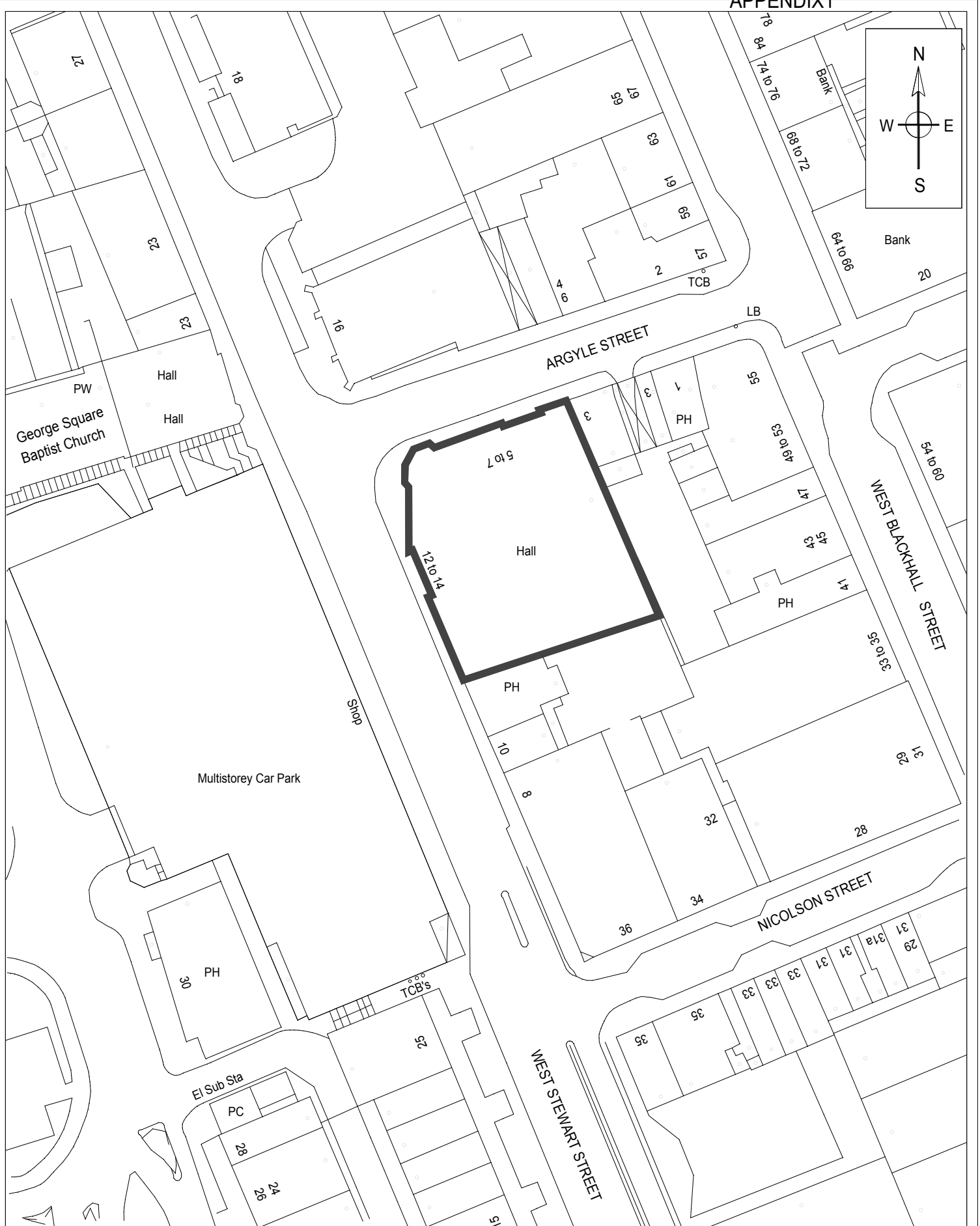
Improving the environment and attractiveness of Greenock town centre will make it and Inverclyde as a whole a more attractive place to live, work, visit and invest.

## 7.0 CONSULTATIONS

7.1 The Corporate Management Team endorses this report.

## 8.0 BACKGROUND PAPERS

8.1 None.



Area shown outlined extends to 1059.74 sq.m. (0.106 Hectares) or thereby.

Former ' Babylon' site, West Stewart St., Greenock

SCALE: 1:750  
 Originating Group:

DRAWN BY:

DATE: 01/04/2019

Drawing No. Former ' Babylon' site  
 West Stewart St  
 Greenock