#### Part A

Report to: Cabinet

**Date of meeting:** 4 March 2019

**Report of:** Property Development Project Manager, Place Shaping and

Corporate Performance

**Title:** Resolution to promote a CPO at Watford Business Park

'Gateway Zone'

# 1.0. Summary

1.1. This report provides an update to Cabinet on the progress to date regarding the proposed regeneration of Watford Business Park in line with the aspirations set out in the council's Local Plan Part 1 (Core Strategy adopted January 2013).

- 1.2. It outlines the next steps required to bring forward the first phase of regeneration within the business park through a comprehensive redevelopment proposal.
- 1.3. The report seeks approval for the council to acquire compulsorily, by means of a Compulsory Purchase Order (CPO) pursuant to section 226(1)(a) of the Town and Country Planning Act 1990 (as amended) the land and existing rights and interests within the area shown edged red on the plan attached at Appendix 1 entitled "WBC001". This CPO would be progressed where agreement to acquire cannot be reached.
- 1.4. The proposed order lands are shown on the plan attached to this report at Appendix 1. The proposed site, also referred to as the 'Gateway Zone' is edged red on the plan. The area hatched blue indicates land over which the council proposes to extinguish (or override) any existing rights that these interests may have over the area edged red. It is important to highlight that no land or interests will be acquired over the area hatched in blue. In addition the CPO would also extinguish any private rights benefiting any other land over the land edged in red.

1.5. Cabinet should be satisfied at this stage that the relevant criteria for making a Compulsory Purchase Order are justifiable.

# 2.0. Risks

Nature of Risk	Consequence	Control Measure	Response	Risk Ratin g
It is not possible to acquire all interests by agreement	CPO powers may need to be exercised to enable comprehensive redevelopment.	Treat	Through its appointed consultants, the council will exhaust all possible options to acquire by agreement prior to making an order and will continue to do so alongside making the order.	8
Financial implications	Abortive costs if CPO not confirmed by the Secretary of State.	Tolerate	An order will only be made if the council is confident it has a strong case for confirmation of the CPO. Project holistically budgeted and resourced from the outset.	9
Market uncertainty	Acquisition values fluctuate and impact on budget and/or viability of the scheme.	Tolerate	This will be monitored closely and advice sought from consultants when appropriate. However a property cost estimate is in place covering the anticipated acquisition costs and the Council has the funding allocated to cover this.	9
Objections to the CPO	Increased costs and programme with regard to proceeding with a CPO inquiry.	Tolerate	Monitor and assume high probability that inquiry may be required.	8

Legal challenge / Judicial review	Significant programme implications if the CPO decision is challenged.	Terminat e	Monitor risk and have a contingency plan in place should this become an eventuality.	8
Reputational Risk	Risk of negative perception by the public if council are not seen to be providing sufficient support	Treat	Comprehensive business relocation strategy implemented with packages of support, combined with communications strategy to ensure negative press is addressed with evidenced	8
Business relocation	Risk of extinguishment if alternative premises can't be found.	Treat	Comprehensive business relocation strategy drafted and implemented subject to Cabinet's decision to promote a CPO.	8

#### 3.0. Recommendations

### 3.1. It is recommended that Cabinet:

- a) Agree that the council makes a Compulsory Purchase Order (CPO) under section 226(1)(a) of the Town & Country Planning Act 1990 (as amended) for the acquisition of the land and rights within the area and edged red on the plan at Appendix 1 entitled "WBC001" for the purpose of delivering a modern, fit for purpose industrial scheme in order to achieve the objectives outlined for the Business Park in Special Policy Area 6 'Western Gateway' of the Local Plan Part 1.
- b) Authorise the Property and Regeneration Section Head to:
  - take all necessary steps to secure the making, confirmation and implementation of the CPO including the publication and service of all notices and the presentation of the council's case at Public Inquiry should one be called;

- acquire all interests in land within the CPO boundary either by agreement or compulsorily;
- iii. approve agreements with land owners including the terms for the withdrawal of objections to the CPO, including where appropriate seeking exclusion from the CPO;
- iv. exercise the compulsory purchase powers authorised by the CPO by way of general vesting declaration and/or notice to treat;
- v. to approve the acquisition of all interests, where possible, by negotiation pursuant to the CPO, approving payments to interest holders in line with the statutory compensation provisions within the budget allocation set out in Part B Appendix 3.
- c) Give authority under Section 6(4) of the Acquisition of Land Act 1981 to dispense with individual service of notices in respect of areas of land where the Council is satisfied that it has not been possible following proper enquiry to establish the ownership of the land in question and for the service of notices in the manner set out in Section 6(4) of the Acquisition of Land Act 1981.
- d) Consider the provisions of the Human Rights Act 1998 contained in section 5.3. of this report so far as they might be applicable in deciding whether or not to make the Compulsory Purchase Order(s) and all other statutory powers that the Council seeks to exercise and resolves the following:
  - i. With regard to Article 8 it is considered that in balancing the rights of the individuals who are affected by the Order(s) against the benefit to the community of proceeding with the Order(s), the making of the Order resulting in the interference with the individuals rights is justified in the interests of improving the economic and social well-being of Watford as detailed in paragraphs 4.4 to 4.6.
  - ii. With regard to Article 1 Protocol 1, it is considered that the interference with the individual's property is justified by the advantages accruing to the public by proceeding with the Scheme particularly taking into account the fact that there is a legal right to compensation for the property taken and any rights extinguished under the Order(s).

- e) In addition the Council has had due regard to the Equalities Act 2010 as set out in this report at section 5.3.
- f) Note the progress made with regard to acquisitions and the application for £5,000,000 of Local Enterprise Partnership grant funding to support the delivery of the project.

#### Contact Officer:

For further information on this report please contact: Lauren Sharkey, Property Development Project Manager

Telephone: 01923 278 265

Email: lauren.sharkey@watford.gov.uk

**Report approved by:** Nick Fenwick, Deputy Managing Director, Place Shaping and

**Corporate Performance** 

## 4.0. Detailed proposal

### 4.1. Overview

- 4.1.1. Watford Business Park (WBP) is a major strategic land holding of approximately 75 acres (or 30 hectares) accommodating 65 businesses and employing in the region of 1,000 people. However, a significant proportion of the existing built stock is over 50 years old and is deteriorating.
- 4.1.2. Whilst Watford Borough Council holds the freehold title to the park, the majority of the buildings have been sold with long leasehold interests, many of which now have less than 40 years remaining. This fragmented leasehold structure is a significant barrier to comprehensive redevelopment or regeneration in the form of new investment either from occupiers, the council or in attracting third party funding.
- 4.1.3. The 'Gateway Zone' is located at the entrance to the business park and has potential to accommodate a flagship development at the entrance to the estate. It is currently characterised by low density and inefficiently planned buildings comprising low quality office and warehouse accommodation.

4.1.4. Without a significant rationalisation of land holdings and uses this strategic site will fail to attract new business, it risks deteriorating further and losing employment opportunities for the borough. The proposal to redevelop the Gateway Zone is considered to be a much needed catalyst to regenerate WBP as an employment destination.

# 4.2. Progress to date

- 4.2.1. In 2013 a joint funding bid to the Hertfordshire Local Enterprise Partnership (LEP), led by Greenhill Asset Management on behalf of Watford Borough Council, secured £1.5m of loan funding to develop a strategy and master plan to bring forward the redevelopment of Watford Business Park.
- 4.2.2. Following the development of the strategy and master plan, the council have made good progress with its implementation by acquiring interests within the Gateway Zone. Acquisitions have been funded by the remaining LEP loan and additional capital commitments from the council's budget.
- 4.2.3. The council have successfully negotiated terms and acquired five of the six head leases and a number of the subleases that sit under its freehold interest within the Gateway site. However, the council have been unable to agree terms with the last remaining head lessee and the two occupational interests within this property. In addition to this there are a number of rights over the existing car park that need to be acquired. A summary of these interests and rights is contained within Part B Appendix 2.
- 4.2.4. Therefore, in order to secure the remaining head lease and sub lease interests and facilitate a comprehensive redevelopment of the site, the council will need to use its Compulsory Purchase Powers.
- 4.2.5. With regard to the scheme development, the council and its advisors (Lambert Smith Hampton) have undertaken a comprehensive options analysis to define the most suitable quantum and type of development. In assessing the current market demand and shortfalls, the options analysis looked to generate the greatest economic uplift, contribute to the social and economic well-being of the area whilst balancing demand and viability parameters.
- 4.2.6. The council concluded that a scheme comprising modern, flexible industrial units would enable the borough to attract and retain a number of employers in

- expanding industries such as film and TV production, life-sciences and advance engineering/manufacturing, who are finding it increasingly difficult to identify suitable accommodation for their needs in the region.
- 4.2.7. An outline planning application is currently being developed that reflects this aspiration for the site. It is anticipated that a planning application will be submitted in March 2019 for determination by the local planning authority and is in accordance with planning policy. In summary this will provide:
  - a) 7,100 square metres of B Class (employment) premises
  - b) Associated parking and landscaping
  - c) New access route into the site
- 4.2.8. The outline industrial scheme has been designed alongside advice from the council's letting agents and funding advisors who have stated that the scheme is viable and fundable. However, the delivery options will be finalised once planning consent is obtained.
- 4.2.9. With regards to the Compulsory Purchase Order, officers have commissioned an initial referencing exercise to establish the number and nature of the legal interests and registered occupiers within the CPO boundary, as well as those who may have rights over the proposed order lands.
- 4.2.10. With regard to equalities monitoring, initial surveys have been issued and data collected to ascertain the protected characteristics that the CPO process will need to consider. An initial Equalities Impact Assessment has been completed and, subject to Cabinet's agreement to the recommendations in this report, the council will then commission a further equalities impact assessment to be undertaken to ensure that all equalities and issues have been addressed and mitigated where possible prior to making the CPO.
- 4.2.11. With regard to relocation of existing businesses, on-going support is being provided by the council's agents, LSH. They have ascertained the requirements of a number of occupational interests and have been assisting in property searches, sharing particulars as and when a suitable property is available. The council is currently looking to relocate an occupational interest into the council's delivered scheme at Caxton Way.
- 4.2.12. Subject to Cabinet's agreement to the recommendations in this report, the council will further progress with a comprehensive relocation strategy for the

businesses operating under a licence. This strategy will ensure that the council will make every reasonable endeavour to assist businesses to find appropriate alternative commercial premises to enable them to continue to operate from Watford. An allowance has been made for business support and the strategy will be implemented in accordance with the allocated budget.

# 4.3. Next steps

- 4.3.1. Now that a significant number of the interests have been acquired through agreement, and the council has concluded a comprehensive development appraisal, it is in a position to progress its aspiration to deliver and complete the regeneration of the Gateway Zone.
- 4.3.2. The council have attempted to progress this without recourse to a CPO. However, due to the complex legal arrangements within the CPO boundary an Order is required to resolve the acquisitions of any residual interests that are not registered, where the registered proprietor is absent / untraceable or any interests where agreement cannot be reached.
- 4.3.3. The council is now seeking authority to progress with the final steps in compiling its compelling case for a CPO and then make the order. Alongside the relevant steps and processes associated with making a Compulsory Purchase Order, the council will continue to engage with leaseholders in the Gateway Zone with the intention to acquire as many interests as possible through agreement.

### 4.4. Economic justification

- 4.4.1. This project will be a key catalyst in the wider regeneration of Watford Business Park, reinforcing its status as a strategic industrial area that provides a range of high quality employment opportunities and supports the growth of emerging and establish industries in the region.
- 4.4.2. The Watford Borough Council Monitoring Report for 2018 suggests that job growth in Watford could be as much as 21,900 for the period from 2006 to 2031. Growth of Watford's economic base is being boosted by major developments such as Watford Riverwell, the redevelopment of Watford Junction Station interchange, a £220m regeneration programme for the town centre as well as the regeneration of Watford Business Park itself. Together,

- these opportunities are expected to bring about a significant expansion of the Watford economy but with it a growing demand for employment floorspace.
- 4.4.3. The regeneration of Watford Business Park represents a major opportunity to feed this demand and to improve the supply and utilisation of employment floorspace to help reverse current shortages.
- 4.4.4. There is evidence of a growing shortage of industrial land across the South East region as demand for housing and other competing uses increases. Data from the Greater London Authority shows that industrial land is being released for other uses at double the rate than originally benchmarked. As the stock of industrial land in Greater London diminishes the remaining market demand is concentrated on areas such as the Hertfordshire M1 corridor, where Watford's location is a strategic asset to many businesses.
- 4.4.5. The Watford Borough Council Monitoring Report 2018 states that there has been a net loss of 85,000sq m of 'employment' floorspace in Watford since 2006. The Economic Development Strategy highlights the need to reverse the erosion in the quantity and quality of employment space within the town by the balancing of land uses if it is to maintain its position as a regional economic centre.
- 4.4.6. This is further reinforced by LSH's Watford Industrial market report (2018) which outlines the falling vacancy rates from 13% in 2010 to around 3% as of October 2018. Healthy demand and a lack of new supply have allowed rents to continue to increase in recent quarters with no indication that these will plateau. If the acute lack of supply allows this pattern to continue, the borough risks pricing out many of its less resilient SMEs which employ vast numbers of people and sustain the local economy. As demand in the Watford industrial market is largely comprised of local occupiers with demand for modest sized units (PROMIS Watford Industrial Report, 2018), this could be a damaging consequence of not taking this project forward.
- 4.4.7. Despite the demand for this type of premises, it is not possible for the market to deliver a scheme of this nature in the business park. The complex leasehold structures in place are a significant barrier to private investment. This coupled with the competing demand and higher values for residential scheme have meant that the council have needed to intervene to drive this project forward.

### 4.5. Social justification

4.5.1. This scheme is intended to bring with it a number of social benefits through the creation of new jobs, the safeguarding of existing jobs and new training and development opportunities. The following outputs for this development have been calculated based on the existing and proposed employment floor space:

Output	Quantity
New Jobs Created	188
Construction Jobs during construction phase	157
Jobs Safeguarded by relocation support	50
Additional Annual High Level Skills Qualifications Attained	24

# 4.6. <u>Environmental justification</u>

- 4.6.1. The majority of buildings within the Gateway Zone date back to the 1960s and are inefficient both in terms of configuration and do not meet basic energy standards. The comprehensive redevelopment of this site will significantly improve the existing environmental performance of employment accommodation within the business park. Sustainability considerations will be built into the design development process from the onset and development will meet the BREEAM rating of 'Very Good' as a minimum.
- 4.6.2. The Gateway Zone has been used for a range of uses over the decades, many of which have contributed contaminants into the ground. As part of the proposed redevelopment the site will be fully remediated and ground contaminants removed to ensure that there is no risk of discharge into the nearby watercourse.
- 4.6.3. The council's local plan identifies that development on Watford Business Park should provide a high quality of urban design and public realm. Legibility and connections to the existing adjoining areas are important, as is the concept of the creation of a new place which knits well into the existing urban fabric. This aspiration will be incorporated in the design of the scheme as it is developed, enabling a better connected and more inviting urban environment.

### 4.7. Planning Policy justification

- 4.7.1. The redevelopment and regeneration of the Gateway Zone is supported in planning policy. The relevant planning policy being:
  - a) the National Planning Policy Framework (NPPF) (guidance)
  - b) Watford Borough Council's Local Plan Part 1
- 4.7.2. The NPPF confirms the government's commitment to economic growth, and that planning policies should recognise and seek to address potential barriers to investment, including poor environment, lack of infrastructure and services. This should include identifying priority areas for economic regeneration, infrastructure provision and environmental enhancement.
- 4.7.3. The Local Plan Part 1 (Core Strategy adopted January 2013) sets out the vision, objectives and spatial strategy for Watford Borough to 2031 and forms the strategic planning context.
- 4.7.4. Strategic Objective 3 in the Local Plan Part 1 (LPP1) is to enhance Watford's strategic economic and transportation role, highlighting the significance of its major transport interchange and how this helps promote sustainable development and regeneration. It envisages improvements to the quality and diversity of employment space across the borough.
- 4.7.5. Furthermore, LPP1 specifically outlines the need to improve and upgrade Watford Business Park to facilitate economic development and environmental improvements. Watford Business Park is contained within Special Policy Area 6 'Western Gateway' of the LPP1.
- 4.7.6. The objective of Special Policy Area 6 is to deliver redevelopment that improves and upgrades this area from an economic development and environmental perspective.
- 4.7.7. The LPP1 states that the suitable land uses within Special Policy Area 6 will largely remain in the B Class employment category, with additional jobs to be delivered by reoccupying or redeveloping vacant sites and premises in Watford Business Park.
- 4.7.8. The LPP1 defines a target of delivering between 700 to 2,000 additional jobs in Watford Business Park. Policy EMP 1 of the LPP1 identifies Watford Business

Park as an area where improvements to the quality of the employment stock are essential for delivering this target.

## 4.8. <u>Delivery options</u>

- 4.8.1. A number of delivery and procurement options have been reviewed to bring forward a comprehensive redevelopment of the Gateway Zone. The council will need to ensure compliance with its contract procurement rules for all options presented and needs the certainty of land ownership to finalise options.
- 4.8.2. The council has sufficient capital to acquire the outstanding interests and progress a CPO. Please refer to Part B Appendix 3 for a summary of the anticipated costs.
- 4.8.3. On 29 January 2019, Full Council agreed to the following draft capital commitment for future financial years:

Financial Year	Total (£)
FY 19/20	4,900,000
FY 20/21	7,800,000
FY 21/22	300,000
TOTAL	13,000,000

- 4.8.4. The current appraisal identifies the need to raise additional capital to deliver the current proposal. At present there are two options for delivery;
  - a) The council deliver the scheme by funding the construction costs through lending from the Public Works Loans Board.
  - b) The council seek a development partner either through existing Joint Venture arrangements or a new arrangement with the intention to match the council's equity investment on the basis of a profit share arrangement.
- 4.8.5. It should be noted that an industrial scheme is substantially developed for planning purposes alongside advice from the council's letting agents and funding advisors. They have advised that a scheme of this nature is viable and fundable although the delivery options need to be finalised once planning is obtained. In the absence of a delivery partner the Council would deliver the development itself using option a.

- 4.8.6. It should also be noted that the council have applied to the Hertfordshire Local Enterprise Partnership (LEP) for £5,000,000 of grant capital funding to facilitate this project. The outcome of this application will be announced in April 2019.
- 4.8.7. A further option to revise the scheme and deliver it in phases or to a lesser scale may be considered. This could reduce construction costs to be accommodated within the existing capital allowance. However, the economic benefits of the project may not be fully realised to the extent that delivering the entirety of the scheme in a comprehensive development would. In any event the Council would expect to have secured possession and commenced construction of all of the phases of all of the land within 3 years of a confirmed CPO.

# 5.0. Implications

#### 5.1. Financial

5.1.1. The Shared Director of Finance comments that the council has approved a capital budget as follows

2018/19	2019/20	2020/21	2021/22	Total
£1.5M	£4.9M	£7.8M	£0.3M	£14.5M

- 5.1.2. To date, expenditure has totalled £4,644,166 in 2017/18 and it is forecast that the 2018/19 spend will total £1,564,042. This expenditure has been primarily for the acquisition of any outstanding interests within the development area and the development of the Caxton Way scheme elsewhere in the business park.
- 5.1.3. As detailed in Part B Appendix 3, there is an allowance for the progression of a Compulsory Purchase Order should it not be possible to acquire the interests through negotiation with the lessees. There is also an allowance for the design development of a scheme to be delivered on the site should the CPO be confirmed.
- 5.1.4. The Gateway Zone generates approximately £250,000 per annum from the ground and occupational leases the council presently holds. This contributes to the council's income from its investment property portfolio. It is anticipated that there will be some short term loss of income as a result of redevelopment. However, the redevelopment of Zone A is expected to increase long term

- revenue and capital gain, reversing the erosion of income as a result of progressing redevelopment.
- 5.1.5. Additionally, the delivery of new industrial units at 18 Caxton Way will bring in a new revenue stream which will offset the loss in income in Zone A to some extent whilst the development takes place.
- 5.1.6. The resultant commercial development will create an asset for the council which could be sold for a capital receipt, or could realise a rental income for the council, the anticipated values of which are detailed in Part B Appendix 3.
- 5.1.7. It is anticipated that the redevelopment of the Gateway Zone is likely to produce an uplift in business rates income, the extent of which will be calculated as the detailed design for the scheme emerges.
- 5.2. Legal Issues (Monitoring Officer)
- 5.2.1. The report at paragraph 1.3. refers to the appropriate power under 226(1)(a) of the Town and Country Planning Act 1990 (as amended) which the council can seek to secure the compulsory purchase of land. It is considered that the redevelopment of land and rights in the Gateway Zone will assist the council in promoting and improving the economic, social and environmental well-being of the wider area and therefore there are adequate powers available to the council to acquire all the land and property interests within the area shown edged red on the plan at Appendix 1 either compulsorily or by agreement.
- 5.2.2. It is explained in the report that the area proposed for redevelopment has altered from the plan presented to cabinet on 5 March 2018. The area edged red at Appendix 1 does not include the properties at 12-14 Greenhills Crescent, 16, 18 and 22 Greenhills Crescent and 4 Caxton Way. These properties were removed from the extent of the red line boundary following the development appraisal exercise. All other properties are retained within the red line boundary and negotiations with the relevant leaseholders and businesses have been pursued and offers made. Reference is made in the table at Section 2.0 'Risks' to the council's commitment to continue negotiations throughout the CPO process.

- 5.2.3. The financial implications of making the compulsory purchase order are set out in Part B Appendix 3. By agreeing to make a CPO, the council becomes liable to claims from leaseholders and businesses and this could include blight claims.
- 5.3. Equalities and Human Rights
- 5.3.1. A Compulsory Purchase Order should only be made as a last resort where there is a compelling case in the public interest that is considered to outweigh the human rights of the owners and occupiers affected.
- 5.3.2. Compulsory purchase powers can deprive individuals of their legal right to their possessions and may also interfere with their private and family life. These rights are protected by the Human Rights Act 1998. Particularly Article 8 and Article 1 and the European Convention on Human Rights.
- 5.3.3. The Human Rights Act 1998 (HRA) came into force on 2 October 2000. Provisions of the HRA which are relevant in relation to the CPO are:
  - The European Convention on Human Rights (the Convention) is an international treaty signed under the auspices of the Council of Europe.
     Whilst the United Kingdom was instrumental in drafting the Convention it was never incorporated into United Kingdom law.
  - b) The HRA still does not incorporate the Convention into United Kingdom law but what it does is to enable individuals to invoke Convention rights for certain purposes and for certain effects.
  - c) The main articles of the Convention which are of importance in circumstances where the Council is considering making a compulsory purchase order are Article 8 – the right to respect for private and family life and his/her home and Article 1 of Protocol 1 – the protection of property.
- 5.3.4. In making a CPO an acquiring authority must show that the acquisition is justified in the public interest. Article 8 is clarified below.
  - a) Article 8(1) provides that everyone has the right to respect for his/her home but Article 8(2) allows the State to restrict the rights to respect for the home to the extent necessary in a democratic society and for certain

listed public interest purposes for example; public safety, economic well-being, protection of health and protection of the rights of others.

- b) When considering Article 8 in the context of a CPO the Council needs to ask the following questions:
  - Firstly, does a right protected by Article 8 apply to which the answer is "yes".
  - ii. Secondly, has an interference with that right taken place or will take place as a result of the compulsory purchase being made to which the answer is again "yes".
- c) The answers to these two questions being in the affirmative confirms that Article 8 applies and it is therefore necessary to consider the possible justifications for the interference under Article 8(2). There are 3 questions for the Council to consider:
  - Firstly, is the interference in accordance with the law? The answer is "yes", there being a legal basis for making the CPO under section 226(1)(a) of the Town and Country Planning Act 1990.
  - ii. Secondly, does the interference pursue a legitimate aim? The justification for the CPO is that the scheme seeks to improve the economic and social well-being of Watford in the public interest.
  - iii. Thirdly, is the interference necessary in a democratic society? Here the council must make a balancing judgment between the public interest and the rights of the individual the CPO must be both necessary and proportionate.

### 5.3.5. Article 1 of Protocol 1 provides that:

- 5.3.5.1. Every natural or legal person is entitled to the peaceful enjoyment of his possessions.
- 5.3.5.2. No one shall be deprived of those possessions except in the public interest and subject to the conditions provided for by law.

- 5.3.5.3. However, the above rules shall not prevent a State enforcing such laws as it deems necessary to control the use of property in accordance with the general interest.
- 5.3.5.4. The Council must decide in relation to Article 1 whether a fair balance has been struck between the demands of the general interest of the community and the requirements of the protection of the individual's fundamental rights. The right to compensation is an important factor in considering the balance between the two.
- 5.3.6. Recommendations Relating to the Human Rights Act:
  - 5.3.6.1. With regard to Article 8 it is considered that in balancing the rights of the individuals who are affected by the CPO against the benefit to the wider public, economic and social well-being of local residents, visitors and stakeholders of proceeding with the CPO, the making of the CPO and the interference with the individuals rights is justified in the interests of the community in order to effect the improvements.
  - 5.3.6.2. With regard to Article 1 of Protocol 1, it is considered that the interference with the individual's property is justified by the advantages accruing to the public by proceeding with the works particularly taking into account the fact that there is a legal right to compensation for the property taken and rights extinguished under the CPO.
- 5.3.7. The case law of the European Court of Human Rights shows that these articles do not forbid compulsory purchase of homes and other property. Rather, in deciding whether to exercise compulsory purchase powers, it is necessary to consider Article 8(2) in the case of homes (which include not only dwellings, but also professional offices) and the public interest and other factors mentioned in First Protocol Article 1 in the case of all property.
- 5.3.8. In this instance it is considered that to ensure the successful regeneration of the Watford Business Park Gateway site and the provision of new fit for purpose, modern commercial facilities will outweigh the rights of particular individuals. In addition, individuals are entitled to statutory compensation for losses they incur as a consequence of CPO.

- 5.3.9. In addition to Human Rights, the council is required to comply with the Equalities Act 2010. Section 149 of the Equalities Act 2010 requires the Council to have due regard to the need to:
  - a) Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
  - b) Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 5.3.10. The council carried out an initial equality impact analysis on February 2019 which can be found at Appendix 4. This first of all assessed from a relevance perspective whether a full impact assessment was needed. This assessment concluded that the Scheme would not negatively impact on any particular group in a disproportionate way. However, in order to fully understand the potential effects of the CPO it will commission a full Equalities Impact Assessment prior to making the CPO. The council considers that subject to commissioning and implementing the recommendations of this Assessment, it will have complied with its duty under the Equalities Act 2010.
- 5.3.11. The economic, social and environmental rationale in the public interest is set out in paragraphs 4.4.1 to 4.6.3 of this report. Together with a comprehensive Equalities Impact Assessment, that case will be set out in full when evidence is submitted to the Secretary of State when making the Order.

## 5.4. Staffing

- 5.4.1. The Property Development Project Manager within the council's Regeneration and Property Team will be the primary resource for this project. External advisors will be appointed where appropriate to provide additional resource and expertise.
- 5.4.2. The Council has instructed external solicitors Womble Bond Dickinson to assist it in promoting the CPO.

### 5.5. Sustainability

- 5.5.1. Section 4.6 of this report details the environmental justification for this proposal. Sustainability will be engrained into the design as the scheme develops. Environmentally conscious practices and methodologies will be considered at all opportunities and incorporated where viable. The comprehensive redevelopment of this site will significantly improve the existing environmental performance of employment accommodation within the business park.
- 5.5.2. Research by property consultants Savills identifies a lack of 'move on' accommodation for office based businesses in Watford. This exposes the borough to the risk of losing major employers to other locations should the local market not provide an appropriate mix of available premises. This proposal will seek to increase the economic sustainability of the town and provide high quality commercial premises to create and retain jobs in the borough.

# **Appendices**

## PART A

Appendix 1 Plan "WBC001" of the proposed order lands,

Watford Business Park Gateway Zone.

Appendix 4 Equalities Impact Assessment

### PART B

Appendix 2 Watford Business Park - Gateway Site Acquisition Schedule

Appendix 3 Watford Business Park - Financial implications

### **Background Papers**

Cabinet Report - 5 March 2018 Item 67

http://watford.moderngov.co.uk/ieListDocuments.aspx?Cld=121&Mld=1922&Ver=4