Manchester City Council Report for Resolution

Report to: The Executive – 13 December 2023

Subject: Victoria North - The Proposed City of Manchester (Dantzic

Street) Compulsory Purchase Order 2023

Report of: Strategic Director (Growth and Development)

Summary

To report to Executive on proposals for the compulsory purchase of land within the Red Bank neighbourhood shown edged red on the plan attached at Appendix 1 of this report ("the Order Lands"), which consists of former industrial land and highway. The proposed Compulsory Purchase Order would be made under the provisions of sections 226(1)(a) and (1A) of the Town and Country Planning Act 1990 as amended by the Planning and Compulsory Purchase Act 2004 to facilitate development, redevelopment and improvement of land between Dantzic Street and the railway line for the provision of 1,551 new residential dwellings, public realm and ancillary uses.

Recommendations

The Executive is recommended to:

- (1) Authorise the making of the City of Manchester (Dantzic Street) Compulsory Purchase Order 2023 ("the Order") under Section 226(1)(a) and (1A) of the Town and Country Planning Act 1990 as amended by the Planning and Compulsory Purchase Act 2004 and the Acquisition of Land Act 1981 to acquire the Order Lands for the purpose set out in the Statement of Reasons.
- (2) Note the content of the Statement of Reasons attached at Appendix 2.
- (3) Note that all costs associated with the CPO and the acquisition of the Order Lands will be met by Far East Consortium International Limited who will reimburse the City Council of all costs incurred in accordance with a CPO Indemnity Agreement to be entered into between the City Council and Far East Consortium International Limited.
- (4) Authorise the Assistant Director Development and Investment Estate to approve the Indemnity Agreement between the City Council and Far East Consortium International Limited
- (5) Authorise the City Solicitor to seal the Order and to take all necessary steps, including the publication and service of all statutory notices and presentation of the Council's case at Public Inquiry, to secure confirmation of the Order by the Secretary of State for Levelling up, Housing and Communities and the vesting of the land in the City Council.

- (6) Authorise the Strategic Director (Growth and Development) to confirm the Order, if the Secretary of State is satisfied that it is appropriate to do so.
- (7) Authorise the Assistant Director Development and Investment Estate to approve agreements with landowners, if identified, setting out the terms of withdrawals of objections to the Order including where appropriate the exclusion of land from the Order.
- (8) Authorise the Strategic Director (Growth and Development) and the City Solicitor to make deletions from, and/or minor amendments, and modifications to the proposed Order and Order Plan or to agree to refrain from vesting any land included within the Order should this be in their opinion appropriate.
- (9) Authorise the Assistant Director Development and Investment Estate to negotiate terms for the acquisition by agreement of any outstanding interests in the land within the Order prior to its confirmation.
- (10) Authorise the Strategic Director (Neighbourhoods) to take all necessary steps to secure the closure of all relevant highways streets and alleyways which are required for the development to proceed, if requested by the Director of Strategic Housing & Development.
- (11) Agree that the resources of the City Council are sufficient to carry out the duties resulting from the making of the Order, as outlined in this report.
- (12) Authorise the City Solicitor to do all things necessary or incidental to implement the above.

Wards Affected: Cheetham

Environmental Impact Assessment the impact of the issues addressed in this report on achieving the zero-carbon target for the city The Northern Gateway (now Victoria North) Strategic Regeneration Framework established clear low-carbon principles in recognition that future development within the area will need to respond to the City Council's zero-carbon target and will be expected to move towards this aspiration through the active utilisation and deployment of leading building technologies.

The planning of Victoria North has been actively developed to facilitate the radical change in the current patterns of energy generation, distribution and use. New developments will incorporate a range of sustainability measures including SuDS, biodiversity net gain, reuse of brownfield land, improvements

	to green and blue infrastructure, and active travel.
Equality, Diversity and Inclusion - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments	An inclusive, accessible, and diverse engagement process has been developed to inform the Master Planning process for future development.
	The future development of the Victoria North neighbourhoods is capable of providing significant new residential space and associated commercial space and community infrastructure, creating jobs and opportunities open for all residents. As set out in the SRF, the site would be made highly permeable, connecting neighbouring streets and communities with high quality and fully accessible open spaces and public realm. Any future phases of development proposals would be considered through future planning applications with full public consultations. It is considered at this
	stage that the proposals do not impact any protected or disadvantaged groups.

Our Manchester Strategy outcomes	Contribution to the Strategy
A thriving and sustainable city:	The Victoria North initiative will expand
supporting a diverse and distinctive	the City Centre in a northern direction
economy that creates jobs and	establishing sustainable mixed-use
opportunities	neighbourhoods including new jobs and employment opportunities.
A highly skilled city: world class and	The Victoria North initiative will provide
home grown talent sustaining the city's	direct employment opportunities and
economic success	also meet the demand for housing from
	residents who wish to live close to the
	skilled employment opportunities
	located in and around the Regional Centre.
A progressive and equitable city: making	Development of the Victoria North area
a positive contribution by unlocking the	offers the potential to deliver on the
potential of our communities	objectives of the Manchester Housing
i e	Strategy and meet the growing demand
	for high quality new housing in the city.
A liveable and low carbon city: a	The Victoria North development
destination of choice to live, visit, work	opportunities will support the delivery of
	new residential developments using
	state of the art technologies and low
	carbon construction methods.

A connected city: world class infrastructure and connectivity to drive growth

The master-planning of new neighbourhoods within Victoria North will include traffic and transport planning, ensuring that various modes of transport (car, bus, rail, Metrolink, cycling, and walking) are provided for. Active travel and public transport routes will be prioritised as the dominant means for residents to travel to the City Centre and connect to adjacent

neighbourhoods and the wider

conurbation.

Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences - Revenue

There are no revenue consequences associated with this report. Any costs associated with the use of the CPO will be covered by an indemnity agreement with the Developer, Far East Consortium International Limited.

Financial Consequences - Capital

There are no capital consequences associated with this report. Any costs associated with the use of the CPO will be covered by an indemnity agreement with the Developer, Far East Consortium International Limited.

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

General Documents

- Detailed Planning Application 136814/FO/2023 for the redevelopment of the land incorporating The Order Lands
- Northern Gateway Strategic Regeneration Framework, February 2019

Council Reports

- Victoria North Strategic Business Plan Refresh, Economy & Regeneration Scrutiny Committee, 16 October 2023
- The Regeneration of Collyhurst Update, Executive, 26 July 2023
- The Regeneration of Collyhurst Update, Executive, 22 March 2023
- Victoria North The Proposed City of Manchester (Thornton Street North Collyhurst Village Compulsory Purchase Order, Executive. 16 March 2022
- Northern Gateway Progress Update Report, Economy Scrutiny Committee,
 22 July 2021
- Northern Gateway: Progress Update & Delivery Arrangements for Collyhurst Phase 1, Executive 17 February 2021
- Northern Gateway: Progress Update and Housing Infrastructure Fund, Executive, 29 July 2020
- Northern Gateway Strategic Business Plan and First Phase Development Area, Economy Scrutiny Committee 6 February 2020, Executive 12 February 2020
- Strategic Acquisitions in the Northern Gateway: Resources and Governance Scrutiny Committee 18 June 2019, Executive 26 June 2019
- Northern Gateway: Implementation and Delivery, Executive, 13 February 2019
- Northern Gateway Strategic Regeneration Framework, Executive, 13 February 2019

1. Introduction

- 1.1. In April 2017 the City Council entered into a Joint Venture Partnership (JV) with Far East Consortium International Limited (FEC) to deliver the residential led redevelopment of the adjacent neighbourhoods of Lower Irk Valley, New Cross and Collyhurst, on the north-eastern edge of the City Centre, which have the capacity to provide circa 15,000 new homes over the next 20 years.
- 1.2. Following an extensive public consultation exercise that was undertaken during the autumn of 2018, the Executive meeting of February 2019 approved the Northern Gateway Strategic Regeneration Framework (SRF) as a means of guiding and coordinating development activity undertaken by the JV partnership and other third party agencies within the area. The Northern Gateway has since been renamed Victoria North.
- 1.3. The February 2020 meeting of Executive approved a Strategic Business Plan for the JV that set out details of how delivery would be brought forward, alongside details of the development schemes that will make up the JV's Initial Development Area Business Plan. The Strategic Business Plan has recently been refreshed and a summary report was brought to the October 2023 meeting of the council's Economy and Regeneration Scrutiny Committee.
- 1.4. On 23rd August 2023 the Planning and Highways Committee resolved to be minded to approve detailed planning permission for the Scheme subject to the completion of a s106 planning agreement. This has now paved the way for a second Development Area Business Plan (DABP2). This document is the subject of a separate report found elsewhere on the agenda for this meeting.
- 1.5. In summary, for the purpose of this report, DABP2 covers a development Scheme that comprises a series of plots within the lower New Town neighbourhood of the Victoria North SRF area. The entire site extends to approximately 6.94 acres and is broadly bounded by Dantzic Street to the north and the active railway line to the south.

1.6. The Scheme will deliver:

- 1,551 apartments across 6 buildings ranging in height from 6 to 37 storeys, providing a mix of 1 (41%), 2 (54%) and 3 (5%) bed apartments;
- Ground floor flexible commercial units (use class E);
- A standalone clubhouse building providing residential amenity and commercial space;
- Associated car parking, cycle and refuse storage, landscaping, and public realm.
- 1.7. Other than a small parcel of land for which the Council has freehold ownership, FEC have acquired the freehold or long-leasehold ownership of the majority of land upon which the Scheme will be developed. This has been made possible through negotiation with landowners, where they have been identified.

1.8. There are a number of parcels of land, however, that are either unregistered, with no known legal owner, or where FEC have only been able to register "possessory title" meaning that there is insufficient documentation to register absolute title. Without contact information available for the unregistered parcels of land, FEC have been unable to identify or contact owners to acquire the land through negotiation. This presents a risk to the delivery of the Scheme covered by the DABP2 and the proposed approach to mitigate against this risk forms the basis of the following sections of this report.

2. The Case for a Compulsory Purchase Order (CPO)

- 2.1. Without the acquisition of the unregistered land, and the land for which absolute title cannot be registered with the Land Registry, referred to from this point forward as the "The Order Lands", there will remain inherent risks to the delivery of the Scheme. Given that there is no available route to acquire The Order Lands through negotiation, or upgrade titles within the required programme, it is proposed that the use of CPO powers represents the most suitable option available to secure the delivery of the Scheme and which is determined to be in the public interest due to the benefits and target outcomes as reflected in the Statement of Reasons attached at Appendix 2.
- 2.2. Notwithstanding the acknowledged impact that the Order will have in respect of human rights, regard should be had to the provision of Articles 1, the right to peaceful enjoyment of your possessions, Article 6, the right to a fair and public hearing and Article 8, the right to respect for private family life, of the First Protocol to the European Convention on Human Rights. As regards Article 1 whilst owners will be deprived of their property if the Order is confirmed and implemented, this will be done in accordance with the law and compensation will be payable under the statutory compensation code.
- 2.3. A CPO should only be made where there is a compelling case in the public interest which justifies the overriding of private rights in the land being sought to be acquired. Without the acquisition of the Order Land there remain inherent risks to the delivery of the Scheme, as recently minded to approve by the planning authority and in accordance with the Northern Gateway (Victoria North) SRF. Given this, there is a compelling case in the public interest for the acquisition of the Order Lands. The developer would in normal circumstances attempt to acquire all interest through negotiation, however for reasons as outlined in the Statement of Reasons this has not been possible.
- 2.4. The Executive is therefore requested, having regard to the Statement of Reasons, attached at Appendix 2, to approve the recommendations outlined at the start of this report to authorise the use of compulsory purchase powers under s.226(1)(a) and s.226 (1A) of the Town and Country Planning Act 1990 as amended by the Planning and Compulsory Purchase Act 2004. On the basis that approval is given for the council to exercise its Compulsory Purchase powers the City Solicitor will progress and submit an Order to the Secretary of State for consideration.

3. The Order Lands

- 3.1. The Order Lands are located in the Cheetham ward of north Manchester, and form part of the emerging Red Bank neighbourhood. The Order Lands extend to an area of approximately 6.94 acres (2.81 hectares) and comprises former industrial land bounded by Dantzic Street to the north and the active railway line to the south. The Order Lands relate specifically to the Scheme as covered by the DABP2 and planning application 136814/FO/2023.
- 3.2. FEC have undertaken the Land Referencing exercise, which is being reviewed by the Council's legal team. The land referencing further details the interests and rights that are sought to be included in the Order.

4. Statement of Reasons

- 4.1. The Statement of Reasons attached at Appendix 2, which has to be submitted with the Order, has been prepared in compliance with the revised guidance from the Department for Levelling up, Housing and Communities on Compulsory Purchase process ("the Guidance").
- 4.2. The Guidance states that the Statement of Reasons should include information on the following:
 - i. a brief description of the order land and its location, topographical features and present use:
 - ii. an explanation of the use of the particular enabling power;
 - iii. an outline of the authority's purpose in seeking to acquire the land;
 - iv. a statement of the authority's justification for compulsory purchase, including reference to how regard has been given to the provisions of Article 1 of the First Protocol to the European Convention on Human rights, and Article 8 if appropriate;
 - v. a statement justifying the extent of the scheme to be disregarded for the purposes of assessing compensation in the `no scheme world';
 - vi. a description of the proposals for the use or development of the land;
 - vii. a statement about the planning position of the order site;
 - viii. information required in the light of Government policy statements where orders are made in certain circumstances;
 - ix. any special considerations affecting the order site, e.g. ancient monument, listed building, conservation area, special category land, consecrated land, renewal area, etc.;
 - x. if the mining code has been included, reasons for doing so;
 - xi. details of how the acquiring authority seeks to overcome any obstacle or prior consent needed before the order scheme can be implemented, e.g. need for a waste management licence;
 - xii. details of any views which may have been expressed by a Government department about the proposed development of the order site;
 - xiii. What steps the authority has taken to negotiate for the acquisition of the land by agreement;

- xiv. any other information which would be of interest to persons affected by the order, e.g. proposals for re-housing displaced residents or for relocation of businesses:
- xv. details of any related order, application or appeal which may require a coordinated decision by the confirming Minister, e.g. an order made under other powers, a planning appeal / application, road closure, listed building; and
- xvi. if,in the event of an inquiry, the authority would intend to refer to or put in evidence any documents, including maps and plans, a list of such documents, or at least a notice to explain that documents may be inspected at a stated time and place.

5. Timescales

- 5.1. The timescales depend on whether there are any objections to the Order. Should there be objections then there is a possibility that the matter will be brought for a Public Inquiry for the Secretary of State to consider the objections. If this was to be the case then it is estimated that it would take circa 18 24 months for a decision to be made, however, on the basis that no objections are received the process would take circa 12 -18 months.
- 5.2. FEC are aware of the timescales associated with the CPO and will remain in dialogue with the Council to ensure a successful timely Order is made.

6. Costs

6.1. FEC has agreed to indemnify the City Council against all costs associated with the Compulsory Purchase Order.

7. Recommendations

- 7.1. The Executive is recommended to:
 - (1) Authorise the making of the City of Manchester (Dantzic Street)
 Compulsory Purchase Order 2023 ("the Order") under Section 226(1)(a)
 and (1A) of the Town and Country Planning Act 1990 as amended by the
 Planning and Compulsory Purchase Act 2004 and the Acquisition of
 Land Act 1981 to acquire the Order Lands for the purpose set out in the
 Statement of Reasons.
 - (2) Note the content of the Statement of Reasons attached at Appendix 2.
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 - (4) Authorise the City Solicitor to seal the Order and to take all necessary steps, including the publication and service of all statutory notices and

- presentation of the Council's case at Public Inquiry, to secure confirmation of the Order by the Secretary of State for Levelling up, Housing and Communities and the vesting of the land in the City Council.
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- (10) Agree that the resources of the City Council are sufficient to carry out the duties resulting from the making of the Order, as outlined in this report.
- (11) Authorise the City Solicitor to do all things necessary or incidental to implement the above.

8. Key Policies and Considerations

a. Equal Opportunities

An Equality Impact Assessment has been produced to assess impact on protected characteristics. Ongoing reviews will take place as the interventions and projects set out in the Framework are considered for implementation.

b. Risk Management

The risk associated with the delivery of Victoria North will continue to be progressed in accordance with existing internal governance arrangements and the approved SRF.

c. Legal Considerations

Legal Services work closely with the project team to provide legal advice on all aspects of matters related to the delivery of Victoria North, including in respect of contractual arrangements for the delivery of works associated with the Housing Infrastructure Fund (HIF) grant, and in relation to land assembly (CPO) and disposal to facilitate scheme delivery. Legal Services will continue to support and advise the team on all aspects of this project to facilitate successful delivery and ensure compliance with all relevant legislation, regulations and contractual terms.

Appendices

Appendix 1 – Draft Order Lands Plan Appendix 2 – CPO Statement of Reason