

Harlow Quarter – Acquisition / Compulsory Purchase Order



Report to:	Cabinet
Date:	27 March 2025
Portfolio Holder:	Councillor Dan Swords, Leader of the Council
Lead Officer:	James Gardner – Managing Director and Head of Paid Service (01279) 446449
Key Decision:	Yes
Forward Plan:	Forward Plan number I018189
Call In:	This item is not subject to call in procedures as it stands as a recommendation to Full Council
Corporate Mission:	Rebuild our Town
Wards Affected:	Little Parndon and Town Centre

Executive Summary

- A** The report sets out the council's proposal to acquire, using Compulsory Purchase Order (CPO) powers, if necessary, the site known as Harlow Quarter, owned by Strawberry Star, to enable the delivery of the comprehensive regeneration of the town centre.

Recommended that Cabinet recommends to Full Council to:

- A** Delegate authority to the Managing Director, in consultation with the Leader of the Council, the S151 Officer and the Monitoring Officer, to finalise proposals for the purchase of Harlow Quarter by private treaty.
- B** Delegate authority to the Managing Director, in consultation with the Leader of the Council, the S151 Officer and the Monitoring Officer to, in parallel with negotiations to acquire by private treaty, finalise proposals to acquire Harlow Quarter using compulsory purchase powers.
- C** Allocate the maximum budget set out in confidential Appendix B to this report, to fund the acquisition of Harlow Quarter including all costs associated with the acquisition and/or

compulsory purchase process, and delegate authority to the S151 Officer to amend the Council's Capital Strategy and Treasury documents accordingly.

- D** Note that final authority to proceed with an acquisition by private treaty (pursuant to A above) or to exercise compulsory purchase powers (pursuant to B above) will be subject to a future Cabinet decision.

Reasons for Decision

- A** The proposals, as detailed in the report and its confidential appendices, will allow the council to deliver on its corporate mission to 'rebuild our town' and to deliver the regeneration of the town centre. The site is a large four-acre derelict site within the town centre that has been subject to significant antisocial behaviour, criminal activity and repeated trespass with the current owners failing to secure the site. The site represents an important part of the future regeneration of the town centre. These matters are for Cabinet to consider and make recommendations to Full Council on.

Other Options

- A** Not acquire the Harlow Quarter - If the council chose not to acquire the site, the Vendor has the opportunity to consider disposing on the site to another third party who may develop the site for other purposes or not provide quality residential accommodation. However, this is extremely unlikely. It is more likely that the site would remain vacant and deteriorate further causing further nuisance and decay for the town centre. This would mean the town centre regeneration and the delivery of the Town Centre Masterplan Framework would be hindered.

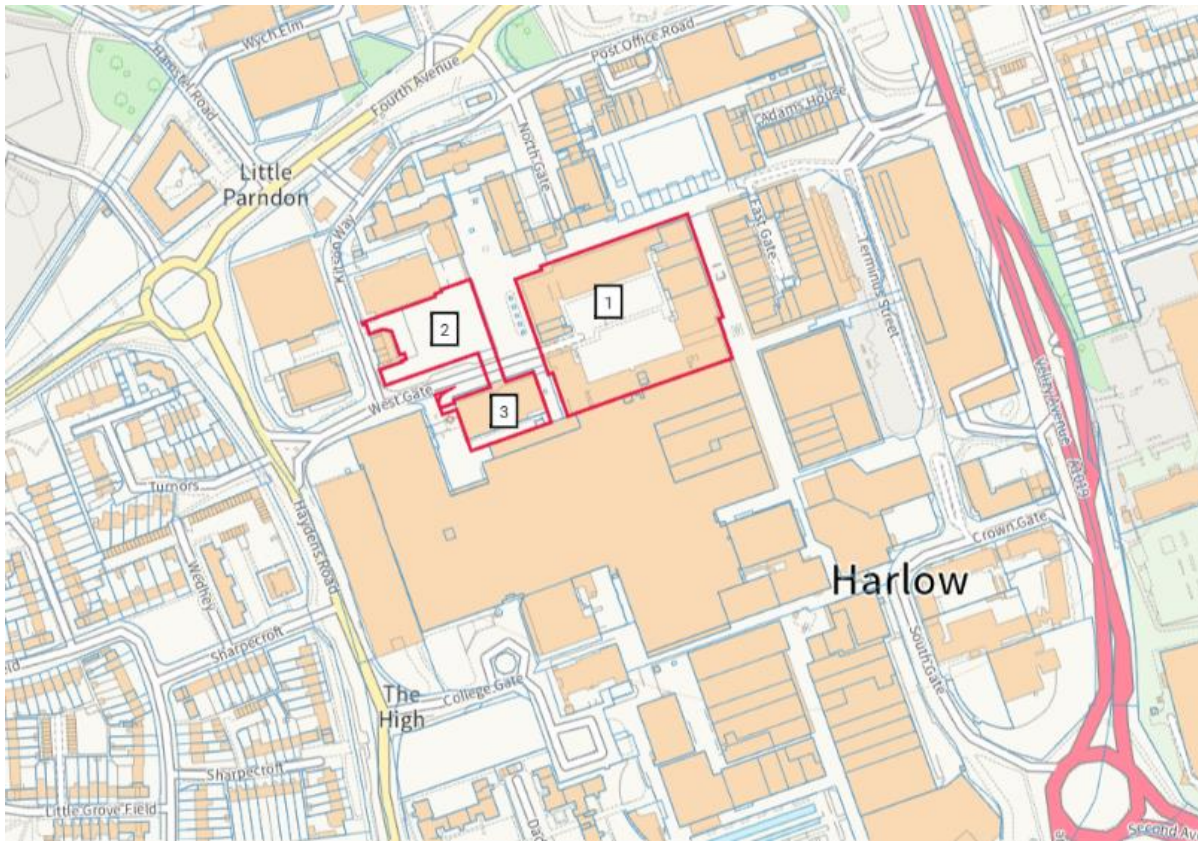
Background

1. The council has a corporate plan that covers the four-year period from 2024-2028. The council has committed six missions which are as follows:
 - a) Mission 1: Transform Harlow's housing
 - b) Mission 2: Renew our neighbourhoods
 - c) Mission 3: Rebuild our town
 - d) Mission 4: Secure investment for Harlow's future
 - e) Mission 5: Protect our communities
 - f) Mission 6: Deliver high-performing council services
2. The mission to 'rebuild our town' is clarified in part as '*delivering all regeneration projects already commissioned as well as bringing forward further schemes and investment to entirely transform the town centre in line with the masterplan framework*'.

3. The mission to ‘transform Harlow’s housing’ is clarified in part as ‘*delivering new high-quality council housing*’.
4. In March 2022, the council adopted the Harlow Town Centre Masterplan Framework (HTCMF). The HTCMF provides guidance to inform the future planning and design of Harlow town centre.
5. The HTCMF provides a concise portrait of Harlow town centre and includes a historic overview and mapping of contextual elements alongside spatial objectives and desired outcomes.
6. The HTCMF also identifies key guidance across a series of headings including overarching principles, movement, urban design, public realm and land use and defines guidance around building heights.
7. Additionally, the HTCMF provides guidance for Opportunity Areas within the HTCMF boundary and summarises recommendations to support the delivery.
8. The council has already made significant progress in the regeneration of the town centre, in line with the HTCMF, including with key strategic acquisitions and commencement of transformational regeneration schemes. The Harlow Quarter site is the next step in that programme.
9. A number of existing planning consents exist for the site including a hybrid consent and a full planning consent, subject to completion of Section 106 Agreements.

Issues/Proposals

10. The site, which sits at the heart of the town centre, is as an important part of the future regeneration of the town centre and the council is considering its options to ensure the delivery of its redevelopment. The site is currently vacant of any leasehold occupational interests except for substation leases.
11. The site broadly comprises three separate plots, which for the purposes of this note we have defined as Plots 1, 2 and 3 as highlighted in the plan below. The red line boundary depicts the boundary of the site.



12. Plot 1 consists of a main building situated around a central courtyard. There are vacant retail units on the ground floor fronting onto Broad Walk, North Gate and West Gate with storage on the first and second floors. Vehicle access is via an underpass from West Gate into the central courtyard where the retail units can be serviced from. Plot 1 extends to approximately 10,950 square metres (2.701 acres) and is understood to be vacant albeit the site contains two electricity substations. This plot is completely derelict, unsafe and the subject of a great deal of antisocial behaviour.
13. Plot 2 is a cleared site with West Gate to the south, Kitson Way to the west and a two-storey building formerly used as a gym. Immediately north is the former Odeon Cinema site. Plot 2 extends to approximately 3,250 square metres (0.80 acres).
14. Plot 3 is also a cleared site with West Gate to the north and the Harvey Centre to the south. Plot 3 extends to approximately 1,940 square metres (0.48 acres).
15. Overall, the site extends to 1.611 hectares (3.981 acres). The registered freehold is under title number EX987670 with the registered proprietor being SSRE Investment 4 Ltd, c/o Strawberry Star Developments Ltd, Unit 701, Vauxhall Sky Gardens, 53 Wandsworth Road, London, SW8 2GB.

16. The site has obtained several planning permissions which are summarised in the table below. The most recent proposals include up to 578 residential units and up to 3,000 sq. m of commercial floorspace for Plot 1 and 2 and 163 residential units and 390 sq. m of commercial floorspace for Plot 3.

Application Ref	Permission Date	Details	Related plot
HW/OUTAM/21/00251	Granted Feb-24	Hybrid planning application to demolish the existing buildings and provide a comprehensive re-development of the site with a mixed-use development comprising up to 578 residential units, up to 3,000sqm (GEA) flexible retail/drinking establishment / leisure / community / commercial space (Use Classes E and sui generis), communal residential amenity space, a new pedestrian boulevard, public realm improvements, car and cycle parking with associated plant and hard/soft landscaping. All matters are reserved for Blocks B, C2 and C3. Blocks A and C1 and associated public realm is submitted in detail. Amended Description Proposal.	Plot 1 and 2
HW/FUL/19/00291	Granted subject to S106 Feb-20	Demolition of existing building and redevelopment of the site to provide a mixed use development within a part 8 and part 12 storey building comprising 163 residential units, circa 390sqm of flexible commercial (Use Class A1/A2/A3/A4/A5/D2) floorspace, and ancillary communal amenity, car parking and cycle storage.	Plot 3
HW/FUL/17/00097	Granted Aug-18	Demolition of the existing buildings and comprehensive re-development of the site to provide a mixed-use development (including 4 new buildings ranging from 3 to 16 storeys) comprising 447 residential units, circa 4,000 sqm of flexible retail floorspace, communal amenity space, a new pedestrian boulevard, car parking, cycle parking, with associated hard and soft landscaping, revised access and servicing arrangements.	Plots 1, 2 and 3

17. At present, Plots 2 and 3 currently comprise vacant land with previous buildings having already been demolished. The demolition of the buildings on Plot 3 in accordance with the July 2019 detailed planning permission is expected to be sufficient to demonstrate that the planning permission has been activated.
18. The council is extremely concerned about Strawberry Star's ability to deliver the scheme in accordance with the consented planning permission and the lack of progress with the delivery of the scheme is inhibiting the council's wider programme to regenerate the town centre.
19. Not only is the site in a deplorable state, but the council has repeatedly served legal notices to instruct the owner to make the site safe which have not been adhered to. The council has had to step in and take direct action to do so. The police and other support

agencies have also seen extensive resourced directed to tackling issues related to the site.

20. The council has worked to support the freeholder to enable the consented redevelopments to proceed. However, it is evident that there is no desire nor means for this to happen and for as long as that remains the case, the issues as set out will persist and the regeneration of the town centre will be hindered.
21. As such, the council are seeking to acquire the site in line with its mission to 'rebuild our town' as it has with other town centre sites. The council is being supported by expert property, retail and legal advisors.
22. The council has held extensive talks with the current owner. Most recently, a formal market value and in principle offer was made to the current owner for the acquisition of their freehold interest in the site. The owners formally rejected this offer on 17th February 2025, responding that they intend to carry out development of the site in accordance with its planning permission. The valuation of the market value offer is set out in confidential Appendix A.
23. On the basis the offer outlined above has been formally rejected, the council are now seeking to pursue compulsory purchase powers to acquire the site and ensure that the scheme, or a suitable alternative scheme, will be delivered to support the complete rebuilding the town centre.
24. The council has access to a range of CPO powers including those contained in the Town & Country Planning Act 1990 which allows for the acquisition of private land and rights to benefit the regeneration of a wider area by improving the economic, social and environmental well-being as set out in Section 226(1)(a).
25. In addition there are other powers available to the council including the ability to create new rights pursuant to Section 13 of the Local Government (Miscellaneous Provisions) Act 1976, the overriding of private rights pursuant to Section 203 of the Housing & Planning Act and Section 172 of the Housing and Planning Act 2016 (in accordance with the procedures in the Acquisition of Land Act 1981) to facilitate access to land for the carrying out of intrusive surveys.
26. CPO should be used as a last resort and the council will need to demonstrate it has taken all reasonable attempts to acquire the land by agreement.
27. Section 226 of the Town and Country Planning Act 1990 set is intended to provide a positive tool to help acquiring authorities with planning powers to assemble land where this is necessary to implement proposals in their Local Plan or where strong planning justifications for the use of the power exist. It is expressed in wide terms and can therefore be used to assemble land for regeneration and other schemes where the range of activities or purposes proposed mean that no other single specific compulsory purchase power would be appropriate.

28. Section 226(1)(a) enables acquiring authorities with planning powers to acquire land if they think that it will facilitate the carrying out of development (as defined in section 55 of Town and Country Planning Act 1990), redevelopment or improvement on, or in relation to, the land being acquired and it is not certain that they will be able to acquire it by agreement. Upon specialist advice, it is recommended that this would be the most appropriate compulsory purchase power in this scenario.
29. The main benefit of the use of compulsory purchase is the certainty of being able to obtain vacant possession. Once the CPO is confirmed, and the legal challenge period has passed, notices can be served, and a date for vacant possession is fixed. Despite the relatively long process for making and confirming an Order, use of an Order may also have benefits in terms of securing a site within a shorter amount of time than by private treaty negotiations.
30. The potential difficulties in the use of compulsory purchase include the time taken to conclude the statutory process, the additional expense of the making and confirmation of an Order, and the level of uncertainty which exists until the order is confirmed. However, there are circumstances when its use is required for an important strategic site.
31. Prior to exercising any CPO powers, it is vital to have a schedule showing a comprehensive list of all required property interests within the proposed CPO site.
32. The council will need to prepare a CPO schedule and map as part of the Order submission which includes full details of all owners and occupiers affected by the proposals.
33. Once the CPO is made, interested parties can object to the scheme if they wish to. If objections are not resolved a Public Inquiry would be held and the council will be asked to present their case to an independent Inspector.
34. Further details and considerations regarding the CPO process are set out in in the confidential Appendix B.
35. The expert advisors the council has employed will commence to prepare a CPO schedule and map.
36. As CPO is a last resort, it will be necessary for the council to continue negotiations with Strawberry Star in parallel with promoting a CPO which it will continue to do.
37. Given the council's unwavering commitment to acquiring the site, either through private treaty or through a CPO, an update, as and when future decisions are required, will be made to Cabinet.
38. Once acquired, the council will demolish the site and bring forward a comprehensive redevelopment of the site.

Conclusion

39. The council has a corporate mission to 'rebuild our town' and is making excellent progress to that regard with transformational regeneration schemes underway and a clear record of strategic acquisitions to further that delivery.
40. This site is in an appalling condition and there is evidently no desire nor ability for the current owner to deliver the consented schemes.
41. The council, therefore, will acquire this site to deliver its TCMPF through whichever means are required. The council should not, and will not, allow this derelict site to remain so if this report is approved.

Implications

Equalities and Diversity

There are no direct implications.

Climate Change

Any such redevelopment works would be carried out in line with the environmental considerations the council has agreed to.

Finance

The maximum budget is set out in confidential Appendix B to this report. The cost of the CPO process will be managed from existing budgets or earmarked reserves if required. The capital and treasury strategy documents will need to be amended to facilitate the acquisition.

Governance

Lead Officers have identified that both appendices to this report as contain commercially confidential information and therefore exempt information per paragraph 9.4 (c) Part 4 Article 4 of the Constitution.

In addition to its general power of competence under the Localism Act 2011 to do something for the benefit of the authority, its areas or persons resident or present within its area, the Council has a range of powers to acquire land by agreement or compulsorily as set discussed in the body of this report.

To successfully secure a CPO, an authority must demonstrate several key elements:-

- Statutory Authority or legal powers enabling the CPO
- That there is a compelling case in the public interest for the acquisition

- That the land is needed for the project to proceed and that there are no viable alternatives to the use of CPO powers
- That there has been an adequate attempt to acquire the land through negotiation
- That the project is financially viable, and that there is funding in place to complete the acquisition and any proposed development
- That all of the correct legal procedures have been complied with

These are all matters that will be kept under review as the scheme progresses.

Appendices

Confidential Appendix A - Viability development appraisal

Confidential Appendix B – Harlow Quarter CPO Strategy Report & Advice

Background Papers

Harlow Town Centre Masterplan Framework

Glossary of terms/abbreviations used

HTCMF - Harlow Town Centre Masterplan Framework

CSO – Contract Standing Orders

SDLT – Stamp Duty Land Tax

KPI – Key Performance Indicator

CPO – Compulsory Purchase Order