

Cabinet

6 March 2025

Level 2 Devolution Deal - Transfer of Compulsory Purchase Powers

Recommendations

That Cabinet:

1. Accepts the devolution to the Council from the Government of the Housing and Regeneration functions (including the Homes England Compulsory Purchase powers) pursuant to the Level 2 Devolution Deal which was agreed in March 2024;
2. Authorises the Chief Executive to agree the draft Regulations relating to the devolution of the Housing and Regeneration functions (including the Homes England Compulsory Purchase powers) with the Ministry of Housing, Communities and Local Government (MHCLG) and to consent to the making of the Regulations on behalf of the Council.

1. Executive Summary

1.1 In March 2024 Warwickshire County Council become one of only four councils to secure a Level 2 Devolution Deal (the Deal), following a decision by Cabinet on 5th March 2024 which authorised the Chief Executive, in consultation with the Leader, to negotiate and finalise a devolution agreement for Warwickshire. The Deal included the transfer of three sets of functions and funds:

- responsibility of allocating Adult Skills Fund delivering 19+ further education and skills provision from August 2026 onwards
- planning and delivery of the UK Shared Prosperity Fund from April 2025 onwards
- devolution of Homes England compulsory land assembly/purchase powers to be concurrently held with and exercisable by Homes England

1.2 The Ministry of Housing, Communities and Local Government asked the Council to develop a submission that evidenced their recommendation to the Secretary of State that the statutory tests had been met. This included the following:

- Description of how Homes England compulsory land assembly/purchase powers would improve the economic, social and environmental well-being of some or all of the people who live or work in Warwickshire

- Overview of the engagement and feedback with relevant stakeholders
 - Equality Impact Assessment setting out any impacts the proposed powers being devolved would have on people with protected characteristics
- 1.3 The Council identified the District and Borough councils, as the planning authorities, to be the most important stakeholders and worked closely with District and Borough Council colleagues to develop a submission in line with MHCLG criteria. This work was submitted to the Ministry of Housing, Communities and Local Government on 5 December 2024.
- 1.4 The Minister of State for Local Government and English Devolution subsequently wrote to the Leader on 6 February 2025 confirming that he is satisfied that the statutory test to implement the conferral of these functions via secondary legislation has been met. The Minister confirmed that the Government considers that the devolution of these functions will bring early benefits including driving area-based regeneration and building more affordable housing.
- 1.5 The Minister also confirmed that as part of the devolution agreement with the Government, the Council will also receive the fully devolved Adult Skills Fund from academic year 2026/2027 and that the Department for Education will take forward separate legislation to confer those functions, subject to the Council meeting readiness conditions.
- 1.6 The Government has now produced the draft Regulations which will enable the transfer of Housing and Regeneration functions (including compulsory purchase powers) from Homes England to the Council. Other functions that are part of the Deal will be transferred to the Council later in the year and will require further Regulations to be made by the Secretary of State. Background to the Deal can be read in the report to Cabinet on 5 March 2024: [Devolution for Warwickshire Update.pdf](#)
- 1.7 Under section 17 of the Cities and Local Government Devolution Act 2016, the Council's formal consent is required before the Regulations can be brought into force.
- 1.8 If Cabinet decides to accept the devolution of the Housing and Regeneration functions (including the Homes England compulsory purchase powers) from Government, due to the tight timeframes that we understand the Government is working to meet Parliamentary approval before the summer recess, it is asked to authorise the Chief Executive to agree the contents of the draft Regulations with the Government.
- 1.9 The functions that would be transferred under the Regulations will provide the Council with additional land assembly and compulsory purchase powers for housing and regeneration purposes, subject to the agreement of the relevant local planning authority (the District or Borough Council for that area). They include the following functions:
- 1.9.1 powers to provide housing or other land

- 1.9.2 powers for regeneration, development or effective use of land
 - 1.9.3 powers in relation to infrastructure
 - 1.9.4 acquisition of land
 - 1.9.5 restrictions on disposal of land
 - 1.9.6 powers to give financial assistance
 - 1.9.7 powers in relation to burial grounds and consecrated land etc. and
 - 1.9.8 extinguishment or removal powers (and other related functions).
- 1.10 These functions will be exercised by the Council concurrently with Homes England, meaning that the functions can be exercised independently by both bodies.
- 1.11 The power to acquire land using Compulsory Purchase Orders or CPOs would support work on regeneration schemes and work with District and Borough Councils relating to strategic planning. This will enable stronger joint working with Homes England to support housing growth, regeneration and development of employment land. While this power is often a last resort option and may never be fully utilised, it does increase the Council's ability to influence and shape development in an area.

2. Financial Implications

- 2.1 There is no additional funding from the Government in respect of these new housing and regeneration functions, as they are conferring new powers on the Council that will be used alongside existing powers rather than requiring new functions to be undertaken.
- 2.2 Administering this function is not expected to incur additional costs as the Council's Strategic Planning and Regeneration team already works closely with District and Borough Councils in using their compulsory purchase orders as part of wider regeneration programmes, such as Transforming Nuneaton.

3. Environmental Implications

- 3.1 Using the CPO powers for early land assembly opportunities could be beneficial in bringing forward currently unviable and sensitive sites in the grey belt and brownfield in accordance with the National Planning Policy Framework (NPPF). The impact could be that more sites will contribute to housing land supply and the new housing land targets set out in the NPPF.

- 3.2 There could also be opportunities to use the new functions to support the delivery of the Warwickshire Green Infrastructure Strategy linked to Biodiversity Net Gain, where funding can be identified, the impact being to enhance our natural habitat for current and future generations.

4. Supporting Information

- 4.1 Land assembly powers could help the Council to drive forward ambitious regeneration schemes especially for town centre regeneration, in particular the possibility of acquiring land and properties that are in fractured land ownership and/or in varying states of disrepair and abandonment to support schemes of strategic importance. The powers could improve negotiating ability, accelerate development and reduce costs; they would have been a tool that could have been considered for the Transforming Nuneaton programme where it has taken a number of years for the Council and Nuneaton and Bedworth Borough Council to achieve traction with particular challenges and delays involving complicated land assembly.
- 4.2 The powers could also be used to support land assembly for the extension of schools, ensuring new schools are built in the most appropriate areas, and unlock land for housing development, including Extra Care and specialist housing provision, in line with our current work with Homes England.

5. Timescales associated with the decision and next steps

- 5.1 The Council is currently working with the MHCLG to agree the draft Regulations that will devolve the housing and regeneration powers to the Council. Once agreed, the Council will consent to the Regulations, and they will be laid before Parliament for approval. It is anticipated that this will happen before the Summer Recess of Parliament, but this is dependent on Parliamentary scheduling.
- 5.2 MHCLG has also confirmed the continuation of the UK Shared Prosperity Fund and the transfer of delivery responsibility to the Council as first proposed in the Council's Level 2 Devolution Deal. Responsibility of managing and monitoring the fund will commence from April 2025 subject to Cabinet approval in March 2025.
- 5.3 In respect of the devolution of Adult Skills functions, the Department for Education will take forward separate legislation later in the year to confer these functions, subject to the Council meeting readiness conditions in May 2025. A further report on this aspect of the Devolution Deal is therefore expected to be brought to Cabinet in the autumn.

Appendices

None

Background Papers

None

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The report was circulated to the following members prior to publication:

Local Member(s): N/A – County-wide report

Other members: Councillors Adrian Warwick, Parminder Singh Birdi, Sarah Boad, Sarah Feeney, and Will Roberts