

Compulsory Purchase Process and Compensation Reforms

CHANGES TO THE POWER TO LIMIT COMPENSATION PAYABLE FOR THE PROSPECTS OF PLANNING PERMISSION

Question 1

Do you agree that directions to remove compensation payable for prospective planning permissions (“hope value”) should be allowed to be included in CPOs made on behalf of parish/town or community councils by local authorities under section 125 of the Local Government Act 1972 where the schemes underlying the orders are providing affordable or social housing?

Yes.

Question 2

Do you agree that a decision on the confirmation of a CPO which includes a direction to remove value attributed to the prospects of planning permission (i.e. “hope value”) from the assessment of compensation for land taken should be eligible, where the relevant criteria in guidance are met, to be undertaken by:

- (a) Inspectors where there are objections to the order; and**
- (b) Acquiring authorities providing there are no objections to the order?**

- a) Yes
- b) Yes

Question 3

Do you agree that the decision-making function of the confirming authority relating to the making of a direction for additional compensation under Schedule 2A of the Land Compensation Act 1961 should be eligible to be undertaken by an inspector?

Yes

Question 4

Do you agree that section 14A of the Land Compensation Act 1961 should be amended to make it clear that directions to remove hope value should apply to other heads of claim where open market value is a relevant factor in the assessment of compensation?

No – this seems to wide-ranging.

Question 5

Another approach to removing hope value from the assessment of compensation could be to allow the Secretary of State in England or the Welsh Ministers in Wales to issue general directions for sites which meet certain defined criteria. We would welcome examples of brownfield sites suitable for housing in your areas (e.g. through an allocation) where a planning permission has not been sought along with the reasons why. In particular, examples of sites where either:

- (a) it is claimed the delivery of the scheme with minimum affordable housing provision and other obligations such as provision of public infrastructure is not viable; or**
- (b) the costs associated with the value associated with the prospect of planning permission (“hope value”) has made the scheme unviable.**

- a) Yes – this would be welcomed if it released sites for housing.
- b) Unsure.

Question 6

We would welcome views on why you think, in the circumstances of the example(s) given in question 5, the removal of the value associated with the prospect of planning permission (“hope value”) where CPO powers are used could help deliver a housing scheme which meets the policy requirements of the local authority and how it would help address the problem outlined in the example.

Don't have a view.

Question 7

We would also welcome your views on whether, in the circumstances of the example(s) given in question 5, there would be any consequences of removing the value associated with the prospect of planning permission (“hope value”) from the assessment of compensation as a result of the use of CPO powers and the delivery of land for housing development.

Don't have a view.

TECHNICAL CHANGES TO THE COMPULSORY PURCHASE ORDER PROCESS AND COMPENSATION RULES

Question 8

We would welcome views on whether there are any other categories of sites, other than those listed in question 5, which would be suitable for the proposal. If so, please give reasons why you think the removal of the value associated with the prospect of planning permission (“hope value”) where CPO powers are used in those circumstances could help deliver a housing scheme which meets the policy requirements of the local authority and how it would help address the problem outlined.

Don't have a view.

Question 9

Do you agree that notices and documents required to be served under the Land Compensation Act 1961, Compulsory Purchase Act 1965, Land Compensation Act 1973 and the Acquisition of Land Act 1981 should be capable of being served electronically if parties agree in writing to receive service in that manner or where the recipient is a public authority?

Yes

Question 10

Do you agree that the information relating to the description of land published in newspaper notices of the making and confirmation of CPOs should be simplified?

Yes

Question 11

Do you agree that where a CPO requires modification to rectify an error such as a drafting mistake or to remove a plot of land from the schedule and/or map, the acquiring authority should be able to confirm the CPO itself by making the required modification(s) providing: (a) all other conditions under section 14A of the Acquisition of Land Act 1981 have been met, and (b) the proposed modifications are non-controversial in the manner set out in the consultation ?

Yes, provided that the definition of non-controversial modifications is made clear.

Question 12

Are there any modifications which you think should or should not be capable of being made by the acquiring authority (in addition to the inclusion of additional land in a CPO without the consent of the owner) when confirming its own CPO?

No

Question 13

Do you agree that the Secretary of State should be able to appoint an inspector to undertake a decision on whether to confirm or refuse a CPO made under the New Towns Act 1981?

Yes

Question 14

Do you agree the temporary possession powers available under the Neighbourhood Planning Act 2017 do not need to apply to the taking of temporary possession of land under the Transport and Works Act 1992 and Planning Act 2008 as there are sufficient provisions under those consenting regimes which provide for the temporary possession of land?

Yes

Question 15

Do you agree there should be an expedited notice process for the vesting of interests in land and properties under the general vesting declaration procedure in the circumstances outlined in the consultation?

Yes

Question 16

If you answered positively to question 15, we would welcome views on whether there are any other circumstances where the expedited notice process for the vesting of interests in land in an acquiring authority should apply?

Don't have a view.

Question 17

If you answered positively to question 15, do you agree those with an interest in land included in a CPO should be able to enter into an agreement with the acquiring authority for their interest to vest in the authority earlier than the existing minimum 3-months' notice period?

Yes.

Question 18

Do you agree that the current loss payments should be adjusted as set out in the consultation?

Yes.

Question 19

Do you agree that the method of calculating the “buildings amount” under sections 33B(10) – 33C(11) of the Land Compensation Act 1973 should be changed to “gross internal floor area”?

Yes.

Question 20

Do you agree that exclusions to home loss payments should apply where one of the statutory enforcement notices or orders listed under section 33D(4) and (5) of the Land Compensation Act 1973 has been served on a person and they have failed to take the required action on the day the relevant CPO which their property is subject to is confirmed?

No - this seems unjust.

IMPACT ASSESSMENT

Question 21

Do you have any comments on the likely impact of the proposals outlined in this consultation on business interests both for the acquiring authority and claimants?

For acquiring authorities the proposals are positive, but for claimants this will likely be met with dismay as having a property falling under CPO will be stressful enough, without the provisions of compensation being reduced.

EQUALITY IMPACT ASSESSMENT

Question 22

Do you consider there are potential equalities impacts arising from any of the proposals in this consultation? Please provide details including your views on how any impacts might be addressed.

Exclusion to discretionary home loss payments in the circumstances where a property owner has failed to comply with a statutory enforcement notice/order served on them by the time a relevant CPO is confirmed could be considered to be harassment or victimisation.