

A Guide to Compulsory Purchase Orders (CPO)

October 2013

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10 Steps to the Compulsory Purchase Order (CPO) Process

In order for Barnet Council to progress the regeneration proposals within West Hendon, compulsory purchase orders are needed to provide certainty to the delivery of the works programme. The process map (below) details the various stages of the CPO process that will be followed before powers are confirmed to compulsorily purchase properties.

The Council will only use its compulsory purchase powers if it has first been unable to reach individually agreed purchase terms with property owners affected by the West Hendon regeneration.

Whilst exercising its compulsory purchase powers, the Council will always seek to provide as much information about the process and advance notice as possible, particularly for the date required for the purchase of your home.

An integral part of this process is the need for the Minister for Local Government & Communities to confirm the CPO before CPO powers can be exercised. You can see from the process map on this page that the Council would only be able to proceed to compulsory purchase your property after the CPO has been confirmed (stage 8).

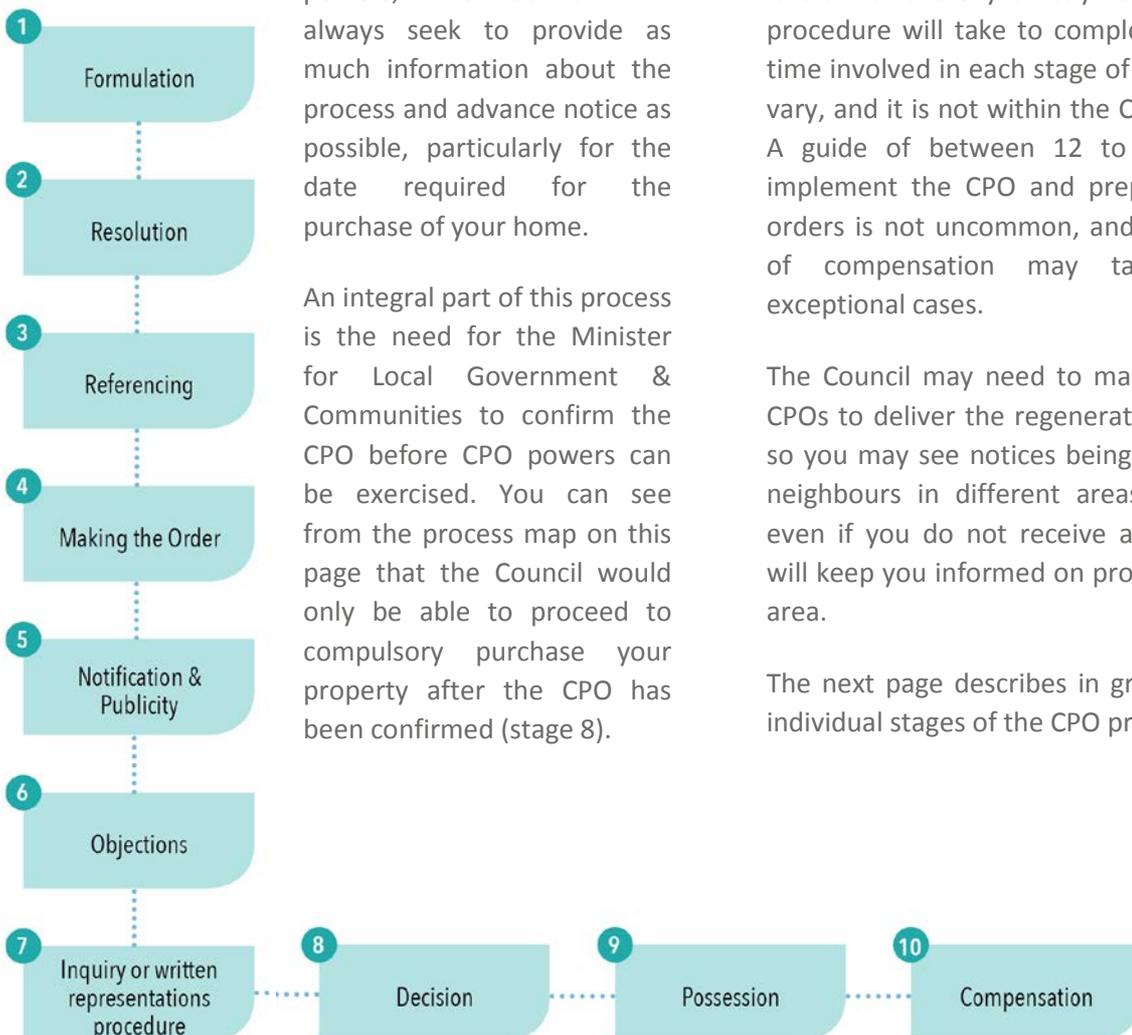
Compensation payments will generally be made where properties and/or rights are acquired by the Council exercising its CPO powers. The way these compensation payments are calculated is set out in legislation. In the event that compensation cannot be agreed the Lands Chamber of the Upper Tribunal is an independent body which decides the right compensation to be made.

Compensation to owners includes market value for their property, and other statutory payments including reimbursement of reasonably incurred expenses (known as disturbance payments.)

It is difficult to say exactly how long the CPO procedure will take to complete because the time involved in each stage of the process can vary, and it is not within the Council's control. A guide of between 12 to 18 months to implement the CPO and prepare possession orders is not uncommon, and the settlement of compensation may take longer in exceptional cases.

The Council may need to make a number of CPOs to deliver the regeneration project, and so you may see notices being served on your neighbours in different areas of the estate even if you do not receive any. The Council will keep you informed on progress across the area.

The next page describes in greater detail the individual stages of the CPO process.



SECTION 2

The 10 CPO Stages

1: Formulation

The Council will undertake an initial information gathering exercise, and will confirm their decision to pursue a CPO in addition to working with individual owners to acquire their properties by negotiation.

2: Resolution

This is the formal decision made by the Council to use CPO powers, and defines the land and properties that will be affected.

3: Referencing

This exercise will identify everyone who has a legal interest in, or right to occupy, the land and properties the Council proposes to acquire.

4: Making the order

Once the referencing exercise is complete, the Council will set out in a schedule and a map the properties it needs to acquire, then prepare the CPO documents, which are then signed and sealed by the Council. A 'Statement of Reasons' describing to the need and requirement for the CPO will be prepared. The Council is required by law to publish in the schedule the name and address of everyone included within the CPO.

5: Notification and Publicity

Before the CPO is submitted to the relevant Government Minister for confirmation, the Council will serve notices on everyone affected by the CPO, publish notices in the local paper and advertise the notices in and around the CPO area.

6: Objections

People wishing to object to the CPO have a set time period known as an "objection period" to make representations to the Government Minister who is handling the CPO.

7: Inquiry

If any objections are made, and cannot be resolved by discussion, an independent Government appointed Inspector will consider any objections through a Public Inquiry or through a written representation procedure. Once the Inspector has considered all representations they will set out their conclusions in a report, and will recommend whether the Government Minister should either approve or reject the CPO.

8: Decision

The Government Minister will review the Inspectors report and decide whether to approve or reject the CPO.

SECTION 2

The 10 CPO Stages

9: Possession

Following formal confirmation of the CPO, there are several ways in which the Council are able to purchase affected properties (9b & 9c) if agreement has not been reached. The Council will serve formal notices on everyone affected, known as either a Notice to Treat/Notice of Entry or a General Vesting Declaration.

9b: Notice to Treat/Notice of Entry

A Notice to Treat is a formal notice which says that the Council wants to acquire your property, and asks you to submit a claim for the amount of compensation you are claiming. Following this, if the Council serves a Notice of Entry, they are allowed to take possession of your property, and you will need to move out, even if compensation has not been agreed.

9c: General Vesting Declaration (GVD)

A GVD transfers ownership of your property to the Council, and allows the Council to enter and take possession of your property on the date it takes effect. Following a GVD, you will be entitled to claim compensation, and you will need to move out, even if compensation has not yet been agreed.

10: Compensation

As is set out above, following a CPO, you may be entitled to compensation for the value of your property, and various other statutory payments such as home loss and disturbance. In the majority of cases where CPO powers are used, the Council can offer an advance payment of compensation. A person whose land or property has been compulsorily acquired should be no worse off or better off than they were before the CPO, but you will need to demonstrate your losses in order to claim for them.



CPO Paperwork you may receive

Requisition Notice & Requisition Letter

- Affected households will receive a letter, a questionnaire, and a statutory notice requiring them to provide information about their property.
- It is important you return this information to the Council, so we can make sure that we take account of everyone who may be affected by the CPO. Failure to complete the information and return to the Council (or their agent) is a criminal offence, which may attract a fine.

General Vesting Declaration (GVD)

- Following confirmation of a CPO, you may receive a notice of intention to GVD and a notice of execution of a GVD. Once the Council has served a notice of execution of GVD after a specified time period (minimum 28 days) the Council will own your property.
- Compensation will be payable and details of how to claim will be sent to you.
- It is important that you do not ignore this notice, and you may wish to seek legal advice if you receive this notice.

Notice to Treat (NtT) / Notice of Entry (NoE)

- A NtT requests details of the interest in the land you hold (secure tenant, leaseholder, private tenant, etc.) and provide you with an opportunity to claim compensation. It is important you return the form within the time required.
- A NoE will state the date when you need to move out of the property and the Council will enter the property and take legal possession. This will be at least 14 days after the date of NtT.

Rights of Access

- This notice may be served where it is necessary to take possession over amenity land within the estate. An example of where you may receive this notice is where a grassed area close by, or next to, your block is required for new housing (regardless of if your home is being acquired by CPO or direct agreement).
- These areas may have “rights of access” allowing movement over them to the public. These rights are your interest in the land and the Right of Access notice, which may form part of the Notice of Entry, will extinguish these rights.

Glossary

Acquiring Authority

A local authority or a government department or other body exercising a statutory power of compulsory purchase or acquiring a property by agreement in advance of compulsory purchase. Barnet Council is the acquiring authority for the purposes of the West Hendon Regeneration Scheme.

Basic-loss payment

In order to qualify for basic loss payment, you must have held the interest in the property for a year or more, usually ending on the date the acquiring authority takes possession. Other qualification criteria may also apply.

CPO

A compulsory purchase order made by a private or public body (usually a local authority or Government department) with the relevant statutory powers which, after confirmation by the Confirming Minister, gives the right to acquire specific land compulsorily.

Confirming Minister

The Government Minister in charge of the activity for which compulsory purchase powers are being sought.

Compensation Code

A collective term for a number of principles derived from Acts of Parliament and case law, relating to compensation for compulsory acquisition.

Disturbance

Reasonable costs that you have had to pay as a consequence of the Council buying your property.

Home-loss payment

In order to qualify for home loss payment, you must have lived in the property, or a substantial part of it, as your only or main residence, for a period of not less than one year ending with the day you have to move out. Other qualification criteria may also

apply.

Interest

If you rent or own a property or land then you have an “interest” in it and in addition you may have rights over adjacent land to gain access to and from the public highway on foot as a pedestrian and in some cases with a vehicle where permitted.

Land

Land includes buildings and structures. Existing interests and rights in land, such as freehold or leasehold together with any existing rights can be compulsorily acquired either as a whole or in part.

Leaseholder

Someone who owns a property on a long lease (typically flats).

Market value

The amount of money that your property would achieve if put to sale on the open market (a freely competitive environment operating without any restrictions).

Order Land

This is the land that the Council includes in the CPO and intends to purchase compulsorily, including any leasehold or freehold properties within it. On CPO plans it is shown shaded pink and outlined with a red boundary.

“Rights of access” and “extinguishing rights of access”

As leaseholders or tenants at West Hendon, you have the right to access green space across the estate. Because new buildings will be built on some of the green space we will notify you that your rights are changing when the CPO is made.

Serving a notice:

This is when a notice is served upon you (posted or given to you). Also sometimes referred to as “by way of service”

Contacts

London Borough of Barnet

The Regeneration Service is there to advise and support leaseholders through the Compulsory Purchase Order process. You will be contacted when it is confirmed that you will be affected by the regeneration programme. However, if you have any questions in the meantime, please feel free to contact us.

Regeneration Service
Development and Regulatory Services (DRS)
London Borough of Barnet
Building 4, North London Business Park
Oakleigh Road South, London N11 1NP

Phone: 020 8359 7248
E-mail: regeneration@barnet.gov.uk

If you are a secure tenant, you can also contact the Regeneration Team at the address above.

Private Tenants

For tenants who rent a property from a private landlord and who are concerned about a Compulsory Purchase Order, please contact your landlord directly to find out how you are affected.

You may also wish to contact Barnet Homes Housing Needs Team to explore your options on 020 8359 4797, or alternatively, you can email homesearchers@barnethomes.org

Barnet Citizens Advice Bureau

From landline: 0844 826 9336
From mobile number: 0300 456 8365

Resident Independent Advisor

John Morris is your Resident Independent Advisor for the West Hendon Regeneration Scheme.

He can be contacted on:
Phone: 020 8348 6418
Mobile: 07709 091919
E-mail: mail@johnmorris.uk.com

Department for Communities and Local Government

Website: <http://www.communities.gov.uk>
Phone: 0300 444 0000
E-mail: contactus@communities.gov.uk

A useful guide to Compulsory Purchase and Compensation can be found on the Department for Communities and Local Government Website at:

<http://www.communities.gov.uk/documents/planningandbuilding/pdf/147648.pdf>

The Royal Institute of Chartered Surveyors (RICS)

The Royal Institute of Chartered Surveyors provides up to 30 minutes free advice.

12 Great George Street
Parliament Square
London SW1P 3AD

Compulsory Purchase Order helpline:
02476 868 555
Website: www.rics.org/compulsorypurchase
E-mail: contactrics@rics.org

London Borough of Barnet

Regeneration Service
Development and Regulatory Services (DRS)
London Borough of Barnet
Building 4, North London Business Park
Oakleigh Road South, London N11 1NP

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