

Ministry of Housing, Communities & Local Government

Compulsory Purchase Orders Streamlining - Delegated Decisions and Timescales for Decision

Government response to consultation

February 2018 Ministry of Housing, Communities and Local Government



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Ministry of Housing, Communities and Local Government Fry Building 2 Marsham Street London SW1P 4DF Telephone: 030 3444 0000

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Introduction

- 1. Compulsory purchase powers are an important tool for assembling land needed to help deliver social, environmental and economic change. Used properly, compulsory purchase can contribute towards effective regeneration.
- A number of changes have been made to improve the system in recent years. In March 2015, the Government published the '<u>Technical consultation on improvements</u> to compulsory purchase processes' which sought views on a range of proposals aimed at making the compulsory purchase process clearer, fairer and faster for all. The proposals included introducing:
 - a power for the Secretary of State to delegate to an inspector a decision on whether to confirm a compulsory purchase order
 - statutory targets and timescales for the confirmation stage of the compulsory purchase process for cases decided by the Secretary of State and for delegated decisions
- 3. There was overwhelming support from respondents to the consultation on the principle of having statutory targets and timescales and a significant number of respondents supported the principle of certain decisions being delegated to inspectors. Following the consultation, the Government decided to take forward these proposals in the Housing and Planning Act 2016. This Act inserted a new section 14D into the Acquisition of Land Act 1981 enabling a confirming authority:
 - to appoint an inspector to act instead of it in relation to the confirmation of a non-ministerial compulsory purchase order to which section 13A of the Acquisition of Land Act 1981 applies
 - to cancel the appointment of an inspector acting instead of him in relation to the confirmation of a non-ministerial compulsory purchase order at any time until a decision is made
- 4. The Housing and Planning Act 2016 also inserted a new section 14B into the Acquisition of Land Act 1981 requiring the Secretary of State:
 - to publish one or more timetables setting out the steps to be taken by confirming authorities in confirming a compulsory purchase order
 - to publish an annual report to Parliament setting out the extent to which confirming authorities have complied with any applicable timetable published under this section
- 5. The Government agreed to undertake further targeted consultation with stakeholders on:
 - the criteria which would be used to delegate the decision on whether to confirm a non-ministerial compulsory purchase order to an inspector

- the timescales for issuing a decision on delegated cases
- 6. The consultation, which ran from 11 January 2017 until 13 February 2017, was sent to key representative bodies in the sector. A full list of the organisations and businesses invited to comment is attached at Annex A.
- 7. A total of 14 responses were received from a range of bodies representing both claimants and acquiring authorities. This included professionals and professional institutions/associations; industry representative bodies or trade organisations, including the Compulsory Purchase Association; local authorities; other public sector bodies and individuals.
- 8. This document provides a summary of the responses to the proposals and sets out the Government's response.

Section 1: Delegation to an inspector

Criteria for delegation

9. The consultation proposed that the following criteria should be used to decide whether the Secretary of State for Housing, Communities and Local Government should delegate a decision on a compulsory purchase order to an inspector:

The Secretary of State will carefully consider the suitability of all compulsory purchase orders to be delegated to an inspector, but will generally delegate the decision on confirmation of an order where, in his opinion, it appears unlikely to:

- conflict with national policies on important matters;
- raise novel issues;
- give rise to significant controversy; or
- · have impacts which extend beyond the local area

New section 14D of the Acquisition of Land Act 1981 also enables a confirming authority to cancel the appointment of an inspector acting instead of him in relation to the confirmation of a non-ministerial compulsory purchase order at any time until a decision is made. This statement also sets out the Secretary of State's policy where the appointment of an inspector is cancelled.

While each compulsory purchase order will be considered on its individual merits, if, at any time until a decision is made by the appointed inspector, the Secretary of State considers, in his opinion, that the compulsory purchase order now raises issues which should be considered by him, he may decide that the appointment of the inspector to issue a decision whether or not to confirm the compulsory purchase order should be cancelled. In these instances, the inspector will be asked to submit a report and recommendation to the relevant minister who will make the decision whether or not the compulsory purchase order should be confirmed.

Summary of responses

- 10. There was overwhelming support for the proposed criteria. In considering the detail, respondents felt that some of the criteria could be applied flexibly and that the interpretation of the criteria should be subject to the usual reasonableness test of a public body's decision making. A further view on the proposed criteria was that there would be the potential for the majority of compulsory purchase order cases to be delegated to inspectors. However, others acknowledged that the controversial nature of some cases would mean that the Secretary of State would be likely to continue to determine these cases. Some minor concerns were raised over the procedure to be followed and there were calls for this to be clearly set out.
- 11. Where respondents did not support the proposal it was because they wished to add further safeguards in relation to compulsory purchase orders, particularly those which:

- impact on residential properties or the loss of a claimant's home
- where the Secretary of State is of the view that considerations arising from the Public Sector Equality Duty or similar social issues are likely to be particularly relevant to implementation of the scheme
- 12. A further view expressed was that the criteria should mirror those set out in the *Civil Procedure Rules (Practice Direction 54E Planning Court Claims)* for categorising 'significant' planning claims.

Government response

13. The Government welcomes the support for the proposed delegation criteria for orders for which the Secretary of State for Housing, Communities and Local Government is the confirming authority. We will therefore, take forward the proposal as consulted on, and publish the delegation criteria as part of the updates to the department's guidance, <u>Compulsory purchase process and the Crichel Down Rules</u>. We will also make regulations on the procedures to be followed where cases are delegated to an inspector for decision. We note respondents' concern about the need for proper safeguards given the impact of compulsory purchase orders on individuals. The Secretary of State for Housing, Communities and Local Government will carefully consider the suitability of each compulsory purchase order case for delegation on its individual merits having regard to the criteria.

Cancellation of the appointment of an inspector

14. New section 14D of the Acquisition of Land Act 1981 enables a confirming authority to cancel the appointment of an inspector acting instead of him in relation to the confirmation of a non-ministerial compulsory purchase order at any time until a decision is made. The consultation set out the Secretary of State's proposed policy on the exercise of the power to cancel the appointment of an inspector.

Summary of responses

15. The overwhelming majority of respondents felt that this was an important aspect of the proposal and would take account of changing circumstances. Respondents felt that it would be helpful if the Government set out how the policy to cancel the appointment of an inspector would work. They considered that the only change in circumstance which would merit cancelling an appointment would be if the level of controversy surrounding the order increased.

Government response

16. We will take forward the proposal as consulted on by publishing the policy on the power to cancel the appointment of an inspector as part of the updates to the department's compulsory purchase guidance.

Section 2: Timescales for deciding a compulsory purchase order

Proposed timescales for decisions in delegated cases

- 17. The consultation proposed the following target timescales for decisions in delegated cases under the written representations procedure:
 - decision to be issued within four weeks of the site visit date in 80% of cases; with 100% of cases being decided within eight weeks of the site visit date
- 18. For delegated cases under the public inquiry procedure, the following target timescales for decisions were proposed:
 - decision to be issued within eight weeks of the close of the Inquiry in 80% of cases; with 100% of cases being decided within twelve weeks
- 19. The consultation also proposed that there be a requirement for parties to be notified within ten working days of the close of the Inquiry of the date on or before which a decision will be issued.

Summary of responses

- 20. There was considerable support for the introduction of target timescales for decisions on written representation cases on the basis that this should bring more certainty to the compulsory purchase order process and to those who are affected. Concern was raised about whether there are sufficient inspectors with suitable experience and knowledge to be able to handle the workload within the timescales set. Some respondents felt that, while the timescales were helpful in bringing greater certainty, this should not compromise the inspector's ability to have sufficient time to consider the facts of the case and to reach an informed decision.
- 21. The majority of those who responded felt that the introduction of target timescales for decisions on compulsory purchase orders subject to the public inquiry process were reasonable and were to be welcomed. However, there were some concerns that the target was that 100% of cases should be determined within 12 weeks of the close of the inquiry, particularly where the decision may be affected by a decision on a related order.

Government response

22. The Government welcomes the support for the introduction of target timescales and sees this as an important step in making the compulsory purchase system fairer, faster and easier to use. We consider that the proposed target timescales provide an appropriate length of time for decisions to be issued. The target for 80% of cases to be decided within the timescales allows for those cases where an inspector may need to take more time to consider the merits of the case. Where a case is delegated to an

inspector for decision the procedure will be shorter as the inspector's report will become the decision letter. The Government will therefore, take forward the proposals as consulted on.

Section 3: Public Sector Equalities Duty

23. The consultation sought views on the potential equalities impacts arising from these proposals.

Summary of responses

24. There were only a few responses to this question. Respondents did not consider that there was any specific evidence that the proposals were likely to have any positive or negative impact on persons who share a relevant protected characteristic under section 149 of the Equality Act 2010. However, they considered in relation to some redevelopment compulsory purchase orders they had made that there were persons with broader needs of care which required them as good practice to ensure that these persons were referred to proper representation. It was also suggested by these respondents that it would be helpful if the Government's guidance booklet, <u>Compulsory purchase and compensation booklet 1: compulsory purchase process</u>, which deals with general matters, mentions that the confirmation decision may be delegated to an inspector and directs readers to the relevant criteria.

Government response

25. The Government notes that the responses to the consultation did not raise concerns about the potential equalities impacts of the proposals on persons with protected characteristics. Having due regard to the need to meet the three aims of the Equality Act 2010, the Government does not consider that there is any identifiable evidence that the proposals are likely to have any differential or disproportionate negative impacts on persons who share a relevant protected characteristic under section 149 of the Equality Act 2010. However, the Government will keep this matter under review following the implementation of the proposals.

Section 4: Next steps

- 26. The delegation criteria and target timescales for decisions in delegated cases will be set out in the department's updated <u>compulsory purchase guidance</u>.
- 27. The <u>Compulsory Purchase of Land (Written Representations Procedure) (Ministers)</u> (Miscellaneous Amendments and Electronic Communications) Regulations 2018 and the <u>Compulsory Purchase (Inquiries Procedure) (Miscellaneous Amendments and</u> <u>Electronic Communications) Rules 2018</u> will give effect to the procedural changes needed for delegated cases. They were laid before Parliament on 28 February and will come into effect on 6 April 2018.

Annex A: list of organisations invited to comment

Accessible Retail Amber Valley Borough Council Aylesbury Leaseholders Action Group Bedford Borough Council **Berkeley Group Bilfinger GVA Birmingham City Council BNP** Paribas Real Estate UK Bond Dickinson **Bristol City Council** Bristol water Company **British Property Federation** Browne Jacobson LLP **Building Societies Association** Campaign to Protect Rural England Carter Jonas Caxtons Central Association of Agricultural Valuers Centre for Progressive Capitalism **Compulsory Purchase Association** Council of Mortgage Lenders Country Land and Business Association **CPRE** Lancashire **Devon County Council Doncaster Metropolitan Borough Council EDF Energy** EMEPF Empty Homes UK Ltd Energy UK EΥ Falcon Chambers Fisher German Greater London Authority Hartlepool Borough Council Highbury Group on housing Delivery **Highways England Historic England** HS2 Ltd Kent County Council Law Society Local Government Association London Borough of Southwark Nabarro LLP National Farmers Union

National Grid National Infrastructure Planning Association National Trust Network Rail Infrastructure Limited Norfolk County Council North Norfolk District Council Nottinghamshire County Council Peter Brett Associates LLP Peterborough City Council Planning and Environmental Bar Association Planning Officers Society **Preston City Council Richard Harwood QC RiverOak Investment Corporation LLC** Royal Borough of Kingston upon Thames Royal Institution of Chartered Surveyors **Royal Town Planning Institute** Savills Sawyer Fielding LTD Severn Trent Water Limited Shakespeare Martineau Shelter South Norfolk Council Stoke-on-Trent City Council Swindon Borough Council Tanner Rose LLP Tatton Estate Management Ltd. Town and Country Planning Association The Law Society The National Trust TLT LLP Town Centre Regeneration Ltd Transport for London **UK Powers Networks** Wainhouse Wessex Water Wolverhampton City Council Yorkshire Water