

# LONDON THAMES GATEWAY DEVELOPMENT CORPORATION RELOCATION AND ACQUISITION POLICY

## A. Application of Policy

- a. This policy applies to business, residential occupiers and investment owners of Relevant Property whether freeholders or leaseholders who have received a written indication from the Corporation:
  - i. In the case of business occupiers or investors that the whole or a material part of their Relevant Property has been identified for acquisition by the Corporation and that the Corporation is in a position to proceed with such acquisition; and
  - ii. That the Corporation intends to acquire and has resolved to use compulsory purchase powers to effect such acquisition if necessary; and either:
    1. The Corporation has made a compulsory purchase order affecting the potential Claimants land or
    2. The Corporation has obtained or received unconditional financial authority to proceed with an acquisition using compulsory purchase powers

and

  - iii. That the Corporation intends to take possession by means of compulsory purchase powers (as opposed to using landlord and tenant powers when available) but
  - iv. In the case of residential occupiers condition (i) shall be modified to the effect that such an occupier will fall within the Policy if any part of their property is taken (subject to (ii) and (iii) above also being met).

For the purpose of this Policy “Relevant Property” means land and buildings owned or occupied by a potential Claimant of a kind that falls within Rule 2 of the Land Compensation Act 1961, that is, non highly specialised property for which there is normally a market (this would, for example, normally include a warehouse, office building, flat, house or shop).

- b. The Policy applies equally to companies, individuals, partnerships or unincorporated associations (hereinafter “Persons”).
- c. A part of a property will be considered “material” if in the case of business premises its loss would significantly affect the use of

the property by a reasonable user in the line of business of the occupier, or materially diminish the investment value. For example, if green verge were taken from a commercial property, it would be unlikely to be material.

d. This policy does not apply to:

- (i) Properties for which equivalent reinstatement is the appropriate basis of compensation under rule 5, Land Compensation Act 1961.
- (ii) Land owned by local authorities or other public sector bodies concerned with environmental improvement or regeneration.
- (iii) Statutory undertakers' land.
- (iv) Professional work wholly or partly connected with:
  - 1. Mounting any objection to a CPO;
  - 2. Mounting a legal challenge to a CPO;
  - 3. Making any freedom of information requests to the Corporation.

However, the Corporation will consider whether to grant undertakings in respect of claimants falling within (i) (equivalent reinstatement claims) on a case by case basis.

## **B. Scope of Policy**

- 1) Where the Corporation is satisfied that a qualifying person genuinely intends to negotiate with it in good faith for a sale, assignment or the giving up of possession of Relevant Property falling within A above (Application of Policy) prior or subsequent to the making of a compulsory purchase order the Corporation may at its absolute discretion and having regard to issues of proportionality agree to indemnify or contribute to the proper and reasonable costs of the claimant in procuring agents solicitors and other necessary consultants to:
  - a. Search for, negotiate, buy or lease suitable alternative accommodation;
  - b. Prepare a claim for compensation for the purposes of negotiating the same with the Corporation;
  - c. Negotiate the terms of sale, assignment of a lease or giving up possession in relation to the Relevant Property;

- d. Negotiate the terms of any relevant legal documentation;
  - e. Where part only of a property is taken agree any accommodation works required (meaning physical works carried out by the acquiring authority in lieu of all or some compensation);
  - f. Where qualifying residential property is affected agree the extent of noise mitigation works (if any) where the claimant is so entitled;
- 2) Where the Corporation agrees to apply this policy in any particular case, the terms of appointment of the Claimant's professional advisers including fee rates or basis and estimates will require approval by the Corporation before such appointment and policy shall take effect;
  - 3) The Corporation will require Claimants to provide it with monthly reports setting out: (i) a description of the work undertaken by its advisers; (ii) the identity, level of qualification and fee rate of the adviser; (iii) the quantum of time and charges incurred; (iv) the details and charges for any disbursements incurred; (v) explanation of any difference between the charges levied by the Claimant's advisers and their original estimate (if applicable), and no payment shall be made to or on behalf of the Claimant until the Corporation has approved the report;
  - 4) The Corporation may impose financial limits in respect of the undertaking given, may review this from time to time and shall be entitled to have regard to progress made in the negotiations and issues of proportionality in deciding whether or not the undertaking should be continued or extended;
  - 5) The Claimant will be required to agree an appropriate mechanism for resolving disputes under this Policy as a condition of receiving this assistance;
  - 6) Where assistance is provided, the Corporation will not be liable for paying Value Added Tax in respect of fees unless it is not possible for the party to recover VAT directly from HM Revenue and Customs;
  - 7) The Corporation, on giving 28 days' notice may at its absolute discretion withdraw the indemnity contribution or undertaking referred to above (but will remain liable for costs properly and reasonably incurred until that date where authorised as above). Examples of when this might be invoked include a Claimant acting unreasonably in the opinion of LTGDC's Officers, failure to make reasonable progress in negotiations or substantial non-compliance with the terms of any undertaking given.
  - 8) The costs of intermediaries such as loss assessors or claims managers will not be paid by the Corporation and only those categories of

professional advisors directly required by Claimants and approved in advance by the Corporation will be the subject of any fees undertaking;

- 9) The costs of Counsel will not be paid by the Corporation, unless the Corporation is satisfied that there are exceptional circumstances and its approval of Counsel's appointment and scope of instruction is given in advance;
- 10) The costs of planning consultants will not be paid by the Corporation, unless the Corporation is satisfied that there are exceptional circumstances and its approval of the planning consultant's appointment and scope of instruction is given in advance;
- 11) The Policy will cease to apply as soon as a Reference to the Lands Tribunal has been made, save in the case of a reference solely concerning a fee dispute under this Policy;
- 12) The Corporation will also seek to assist occupiers by taking reasonable steps (having regard to the Corporation's resources from time to time) to identify potentially suitable relocation properties owned by the Corporation or other public sector bodies operating within the Corporation's designated areas;
- 13) Save for the additional support set out in this Policy, nothing in this policy shall be construed as entitling a Claimant to a more favourable basis of compensation (including the limited rights to relocate a loss-making business) than that available under the Compensation Code. Claimants will continue to be under an obligation to act reasonably and mitigate losses;
- 14) The Corporation will not apply this policy to Relevant Property in respect of which a Claimant may be entitled to serve a blight notice on the Corporation. In those circumstances, the Claimant will be expected to serve a blight notice, which the Corporation will deal with in accordance with the normal statutory procedure;
- 15) Financial assistance by the Corporation will in no circumstances extend to professional work wholly or partly connected with:
  - i) Mounting any objection to a CPO;
  - ii) Mounting a legal challenge to a CPO;
  - iii) Making any freedom of information requests to the Corporation.
- 16) Nothing in this Policy shall be treated as fettering the discretion of the Corporation to enter agreements on such other terms or in respect of such other classes of property as may be expedient from time to time in furtherance of its statutory objects and functions.

**END OF POLICY**