ITEM 6



CORPORATE POLICY AND PERSONNEL, PERFORMANCE MANAGEMENT AND ECONOMIC DEVELOPMENT CABINET MEMBER'S MEETING 7 FEBRUARY 2006

Report of the Corporate Director of Corporate and Adult Social Services

A6 Alvaston Bypass – Proposed Settlement of CPO Claim for Land Taken

RECOMMENDATION

1. To authorise the proposed terms as set out below for settling our claim with HA for land taken and associated matters arising from their A6 Alvaston Bypass scheme.

REASONS FOR RECOMMENDATION

2. To settle this claim and to facilitate the proposed revised transaction with Rosemound for their "New Raynesway" development.

SUPPORTING INFORMATION

- 3.1 This Report seeks authorisation to settle our claim for land taken for and affected by the Compulsory Purchase Order ("CPO") for Highways Agency's ("HA") A6 Alvaston Bypass scheme, including arrangements to retain ownership of the subsoil beneath the Raynesway Park Drive side road.
- 3.2 Under our Agreement with Rosemound concluded in December 2004 we are required to settle the outstanding CPO ownership issue to allow the Raynesway Park Drive side road to be incorporated within their proposed development site once an alternative access is provided. A similar provision would apply within the revised Agreement which is currently being discussed.
- 3.3 It is common for CPO settlements to follow some years after land is taken. The Valuation Office Agency ("VOA"), acting as agent for the HA, require all our claims arising from this scheme to be settled together. They have progressed settlements with other landowners in the area and the terms proposed for our affected land reflect those achieved by others, with added provisions dealing with the specific circumstances alongside the A6/Raynesway Roundabout.

3.4 Land Nearest Raynesway

Under the original CPO, the land affected nearest Raynesway was ...

CPO PLOTS	INTEREST	AREA	
		(sq m)	
1/3	Freehold	1670	
1/7	Freehold	7206	
1/7a	Originally shown as freehold,	25	
	now referred to as "Licence"		
1/7b and c, 1/8, 1/9,	Section 250 Rights	2,925 total	
1/10 and 1/11			

Notice to Treat was served on 22 November 2001, whilst Notices of Entry were served in early 2002.

The Secretary of State confirmed the CPO Inspector's decision that the HA junction design should be implemented but encouraged a solution to be found between the parties to allow a revised junction to be implemented, the additional cost being met by the landowners/developers. An alternative design was progressed but agreement could not be reached in time.

The area shown hatched on the attached plan - subject to further slight modification - would not be required for highways purposes once a revised junction is in place, but is required to release a prime site for development on the most visible part of the main road frontage.

In dealing with our CPO claim, our primary concern has been to help clear the way for the conditional Rosemound contract to take effect. The approach recommended for settling our CPO claim for these areas is consequently that:

- no compensation is paid for the cross-hatched areas of land shown on the attached plan - which may be extended slightly - which will not be conveyed to the HA
- the HA, having provided the side road which is now maintained by us as local highways authority, accept in effect that they will abandon implementation of the CPO in respect of the cross-hatched areas leaving Rosemound to achieve a revised junction and for us to stop up this length of the original side road through separate procedures later
- the access track provided by the HA is to continue to be used by them and by other permitted users until a suitable alternative is provided.

Although there will be some further minor extension of the hatching to accommodate Rosemound's evolving design, the compensation agreed to be payable is set out below....

CPO PLOTS	INTEREST	AREA (sq m)	AREA (acres)	RATE PER ACRE	VALUE
1/3	Freehold	1,670	0.413	£200,000	£82,533
1/7 (unhatched part)	Freehold	4,205	1.04		£10,400
1/7c and 1/9	Section 250	328	0.08	£10,000	£800
(unhatched parts)	Rights				
and 1/10 and 1/11					

We elected for VAT on our ownership on the east side of Raynesway with effect from 9 December 2004. An apportionment will be necessary between that area and the remaining exempt areas to deal with VAT issues correctly. This will also have a consequential effect on the surveyor's fee payable.

The proposed settlement is compatible with that of the adjoining claimant (APL) and other interests.

3.5 Other land taken or affected by the CPO

These areas are situated further south, along the line of the bypass. Notices of Entry for these areas were served in May 2002.

CPO	INTEREST	AREA	AREA	RATE PER	VALUE
PLOTS		(sq m)	(acres)	ACRE	
1/46, 1/46a,	Freehold, subject	14,115	3.49	£2,000	£6,980
1/46b,	to agricultural				
1/46c,	tenancy				
1/46d,	-				
1/46e, 1/47,					
1/48, 1/48b,					
1/50, 1/50a					
1/43,1/48a	Section 250 Rights	420	0.103	£1,000	£103
& 1/48c				·	
1/51	Freehold	50	0.012		
1/51a, 1/52	Section 250 Rights	330	0.082	£3,000	£281
& 1/53					
2/4	Section 250 Rights	1570	0.387	£1,000	£387
2/22, 2/23 &	Licence/	No value for rights on land, but			£9,287
2/25	Dedication/	compensation (similar to LCA 1973,			in total
	Section 250 Rights	Part 1) for physical effects on			
	- injurious affection	houses/flats based upon 1.5% of 2002			
	to adjoining 2	capital values for those situated nearer			
	houses & 29 flats	to Bypass and of 0.5% to those in less			
	at Slindon Croft	exposed positions. (HRA land)			

The settlement proposed is again compatible with those of other claimants.

OTHER OPTIONS CONSIDERED

4. None.

For more information contact: Jim Olford (25)8426 e-mail jim.olford@derby.gov.uk

None

Background papers: List of appendices: Appendix 1 – Implications

Appendix 2 - Plan

IMPLICATIONS

Financial

- 1.1 The receipt would be apportioned between those areas held for Estates purposes and for HRA purposes and would be used to support our capital programme.
- 1.2 In addition to the above compensation, we will be paid a surveyor's fee of £2,045 and our proper legal costs. The VAT position would follow the standard-rated or exempt status of the land to which the fee/costs related.
- 1.3 This settlement would be in full and final settlement under all Heads of Claim.

 The HA have never sought to recover any abortive costs from us for the alternative design of the junction.

Legal

2. We have previously used Eversheds to deal with our arrangements with Rosemound, so they have been retained to deal with the CPO aspects and their reasonable fees will be covered as part of the settlement.

Personnel

3. N/A

Equalities impact

4. N/A

Corporate objectives and priorities for change

- 5.1 The proposal comes under the Council's Objectives of providing a prosperous, vibrant and successful economy and a shared commitment to regenerating our communities.
- 5.2 The proposal furthers the priority of working towards minimising increases in Council Tax and increasing value for money from our services.

