

Proposed Exceptional Hardship Scheme

Contents

1 The Purpose of the Scheme	1
2 Eligibility	2
3 Exceptional Hardship Criteria	3
4 Procedure	4

1 The Purpose of the Scheme

This scheme has been designed by Croydon Council (the "Council") in collaboration with the selected developer of the Whitgift Centre, Croydon Limited Partnership ("CLP"), to set out how the Council and CLP will respond to requests for the early acquisition of property interests in land that are included in the London Borough of Croydon (Whitgift Centre and surrounding land bounded by and including parts of Poplar Walk, Wellesley road, George Street and North End) Compulsory Purchase Order 2014 (the "CPO") made by the Council on [Date].

The scheme is intended to supplement the existing statutory provisions for the service of blight notices through which owner-occupiers whose property interest is included in a compulsory purchase order may be able to require the early acquisition of their interest in defined circumstances. The scheme does this by extending the range of people who can seek early acquisition to include owner-occupiers who would not be eligible to serve a blight notice, but who are able to show that as a result of the CPO, they are unable to sell their property at a fair price and that this would lead to them suffering exceptional hardship.

The decision to accept or reject an application under the scheme will be made in accordance with the terms of the scheme as set out in the following pages. It is therefore a discretionary scheme.

2 Eligibility

This scheme is a discretionary supplement to existing statutory blight notice procedures under the Town and Country Planning Act 1990, and therefore is not open to anyone who can serve a valid blight notice in respect of the CPO. Under those statutory procedures a qualifying claimant with a qualifying interest that is affected by the CPO can require the Council to acquire their interest at an earlier point in time than the Council may otherwise have done. An eligible applicant under this supplementary scheme is one who satisfies each of the following conditions:

1. The applicant owns a property interest capable of transfer (lease or freehold) included within the boundary of the CPO and identified as a property to be acquired, and has done so since the date of service by the Council of the statutory notice of the making of the CPO (the "CPO Date").
2. The applicant has lawfully occupied the property, either as his home or for the purposes of conducting a business, since the CPO Date.
3. The applicant requires to sell their property interest at the time of application, for one of the reasons set out as Exceptional Hardship Criteria below.
4. The applicant has made reasonable efforts to dispose of his property interest for a period of 3 months and can show to the satisfaction of the Council that he has been unable to sell the interest, other than at a price that is 15% or more below the market value which the interest would be expected to command if no CPO had been made and there was no proposal to make a CPO.
5. In the case of a business premises with a rateable value, that the rateable value did not exceed £34,800 on the day before the CPO date.

3 Exceptional Hardship Criteria

In order to be eligible an applicant must show that he requires to sell the property at the point of making the application and that his inability to do so would lead to exceptional hardship arising from one of the following circumstances.

In the case of a residential property the circumstances are:

- (a) an involuntary and permanent change in the applicant's employment location that would lead to an unacceptably long commute;
- (b) the need to accommodate an enlarged family where such need did not exist prior to the CPO Date;
- (c) a requirement to re-locate in order that a dependent child of the applicant can take up a school place, the location of which is not acceptably close
- (d) a requirement to move into sheltered accommodation, a nursing home or similar facility or to move in with another family member who will provide care and support as a result of a medical condition;
- (e) a medical condition suffered by a family member living in the property that requires that the family relocates;

In the case of a residential property, an applicant may be either an individual or joint owners of the property, but not a partnership or corporate entity.

In the case of business premises, the circumstances are either:

- (a) that continuing to operate the business at the current location would cause extreme financial pressure to the applicant, that would be alleviated if the property is sold and the business closed or transferred to a different location; or
- (b) the applicant takes a full-time active part in running the business at the property included in the CPO, and that one of the circumstances at 3.2(c), (d) or (e) applies, which means that the applicant can no longer continue to operate the business, and that it should be closed or transferred to a different location.

4 Procedure

An applicant must apply in writing to the Council at the address set out at the end of this document, stating the basis on which they are eligible for the scheme and identifying which of the Exceptional Hardship Criteria apply.

The Council will acknowledge receipt of each application, and where it considers it necessary arrange to visit the premises and meet the applicant. The Council will aim to consider any application within twenty working days during which period it will either determine the application, or identify the further information that it requires to do so.

If the Council accepts the application then it will acquire the applicant's interest as though it had accepted a blight notice under the Town and Country Planning Act 1990 served on the date of the Council's decision. The Council will then arrange to take possession of the property at the earliest practicable date, having regard to the circumstances of the applicant and the accepted hardship criteria. The purchase price paid for the interest will be a value in accordance with normal compulsory purchase valuation principles that apply if a blight notice had been accepted.

If the valuation cannot be agreed or there is a dispute over eligibility then the Council officer managing the negotiations shall refer the matter to his/her immediate superior for review. In the event of a continued dispute then the disputes resolution procedure applicable under the blight notice procedure can be taken up.

If the Council rejects the application, it will write to the applicant setting out its reasons for rejection. The applicant will be able to re-apply at a later date if they feel that circumstances have changed such that the Council should then accept the application.

Applications should be addressed to: London Borough of Croydon, Bernard Weatherill House, 8 Mint Walk, Croydon, CR0 1EA and marked for the attention of Janet Davies.
