

Officer Non Key Executive Decision

Relevant Chief Officer (Decision Maker):	Alan Cavill, Director of Communications and Regeneration
Relevant Cabinet Member (for consultation purposes):	Councillor Mark Smith, Cabinet Member for Business, Enterprise and Job Creation
Report Author (Officer name and title):	Antony Hill, Head of Programme Delivery
Implementation Date of Decision:	

THE EARLY SURRENDER OF 4 KING STREET RE: BLACKPOOL BOROUGH COUNCIL (KING STREET No1) COMPULSORY PURCHASE ORDER 2020

1.0 Purpose of the report:

1.1 The early surrender of 4 King Street prior to General Vesting Declaration

2.0 Recommendation(s):

2.1 To forego the rent between the surrender and vesting date and to instruct legal to accept a surrender of the lease for 4 King Street from the tenant any to pay the appropriate compensation if required.

3.0 Reasons for recommendation(s):

3.1 To gain vacant possession of 4 King Street prior to General Vesting Declaration.

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options to be considered:

Wait until the property is Vested in the Council ownership following the General Vesting Date and deal with compensation at that time.

4.0 Council Priority:

4.1 The relevant Council Priority is

- “The economy: Maximising growth and opportunity across Blackpool”

5.0 Background Information

5.1 4 King Street is within the area of the Blackpool Borough Council Compulsory Purchase Order (King Street No.1) 2020, and was acquired in March 2021, subject to a lease for a term ending 19 November 2024.

5.2 Notice has been served on the tenant advising that the Blackpool Borough Council Compulsory Purchase Order (King Street No.1) 2020 has now been confirmed and that once the General Vesting Declaration becomes effective, vacant possession will be required.

5.3 It should be noted that the date for vesting has not yet been determined, but as three months’ notice has to be given, vesting would be July at the earliest.

5.4 The property was occupied by Millennium Barbers, who took a new lease from the former owner in November 2019. They have not been able to establish a client base before having to close under Covid 19 restrictions. They have confirmed that they have found alternative accommodation and are seeking an early surrender may commence trading from the alternative accommodation, when Covid restrictions are lifted.

5.5 Instead of waiting until the property is vested in the Council, it has been agreed to accept an early surrender of the lease, with their requirement to pay rent etc., ending at surrender. A mutual date has yet to be agreed, but we are anticipating the first week after Easter.

5.6 It is proposed that the Council forgo the rent due between the surrender and the vesting date, which for a three-month period would equate to £780.

5.7 Whilst the tenant has not specifically requested compensation, it would appear that the tenant would be entitled to compensation upon the property being vested in the Council.

5.8 By gaining early possession, no further claim will be received as a result of the Council undertaking demolition works to the adjoining property.

5.9 Does the information submitted include any exempt information? No

5.10 **List of Appendices:**

None

6.0 Legal considerations:

6.1 Section 226 (1) (a) of the Town and Country Planning Act (as amended) empowers the Council, subject to confirmation of the order, to acquire compulsorily the lands within the order for the reasons stated therein.

6.2 If the order is confirmed and the powers are exercised, those whose land and or rights are taken become entitled to compensation under the Compulsory Purchase Compensation Code.

7.0 Human Resources considerations:

7.1 None as a consequence of this report.

8.0 Equalities considerations:

8.1 None as a consequence of this report.

9.0 Financial considerations:

9.1 Subject to the tenant qualifying , the tenant would be eligible to the greater of Statutory Occupiers Losses, which is set at 2.5% of the market value of the property they occupy, or either one or two times the rateable value of the property.

9.2 Should a qualifying claim be made the cost will be met from within the approved budget.

10.0 Risk management considerations:

10.1 The acquisition of the outstanding interests is critical to the completion of the King Street development.

11.0 Ethical considerations:

11.1 Steps have been taken to ensure that efforts are made to ensure that individuals affected by this decision have been and will be treated fairly and in accordance with the statutory guidelines associated with compulsory purchase.

12.0 Internal/ External Consultation undertaken:

12.1 Consultations were undertaken for the “Blackpool Borough Council Compulsory Purchase Order (King Street No.1) 2020” and are described in decision number EX41/2020.

12.2 The Growth & Prosperity Board has been consulted upon the proposed early surrender of this property.

13.0 Decision of Chief Officer

13.1 To forego the rent between the surrender and vesting date and to instruct legal to accept a surrender of the lease for 4 King Street from the tenant any to pay the appropriate compensation if required.

14.0 Reasons for the Decision of the Chief Officer

14.1 To gain vacant possession of 4 King Street prior to General Vesting Declaration.