



DELEGATED DECISION

REPORT TITLE	UNITED UTILITIES FLOOD RELIEF SCHEME AT CLARE MOUNT SPECIALIST SPORTS COLLEGE AND THE RIVER BIRKET - LAND TRANSACTIONS
REPORT OF	CORPORATE DIRECTOR OF DELIVERY SERVICES / ASSISTANT CHIEF EXECUTIVE

REPORT SUMMARY

This report seeks authority to transfer land at Clare Mount Specialist Sports College, Moreton to United Utilities, following works carried out under the statutory provisions of the Water Industry Act 1991.

This matter affects the Leasowe & Moreton East Ward.

RECOMMENDATION

The Cabinet Member agrees that the Corporate Director of Delivery Services & Assistant Chief Executive be authorised to complete the transfer of land at Clare Mount Specialist Sports College to United Utilities in the sum of £62,200 plus the Council's legal and surveyor's fees.

The Cabinet Member notes the Council will receive compensation totalling £18,300 for the Freehold Depreciation of other land affected by the scheme of works carried out by United Utilities at Clare Mount Specialist Sports College and the River Birket.

SUPPORTING INFORMATION

1.0 REASON FOR RECOMMENDATION

- 1.1 To formalise ownership issues and report compensation due arising from a flood relief scheme undertaken by United Utilities.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Works carried out to the sewer and surface water system in the area around Clare Mount Specialist Sports College were carried out by United Utilities under statutory provisions of the Water Industry Act 1991, which afford the local water authority powers to install apparatus without formal consent of the landowner. It also makes provision for the local water authority to acquire land, either by agreement or by the use of a Compulsory Purchase Order (CPO), when it considers control of access to the land above the apparatus is necessary on Health & Safety grounds.
- 2.2 No other options have been considered as the scheme / transfer has been carried out / is proposed under these statutory provisions.

3.0 BACKGROUND INFORMATION

- 3.1 United Utilities had recognised parts of the Moreton Area were susceptible to flooding during periods of heavy rainfall and announced its intentions to carry out a major scheme of improvement works to the sewer network.
- 3.2 Sites for underground facilities and pipe works are acquired using statutory powers granted under the Water Industries Act 1991. More often than not, permanent fixtures above ground are usually acquired by agreement, although United Utilities can rely on compulsory purchase powers, if such agreement is not forthcoming. United Utilities may also use the provisions within the Act to acquire land, either by agreement or by the use of a CPO, when it considers control of access to the land above the apparatus is necessary on Health & Safety grounds.
- 3.3 Notices were received in November 2013 for the installation of an underground tank and associated pipework within the grounds of Clare Mount Specialist Sports College. School staff and officers from Asset Management have been involved in consultations with United Utilities before and throughout the duration of the works as well as any subsequent reinstatement.
- 3.4 The land subject to the scheme of works is partly within the Primarily Residential Area and partly within a site allocated for Residential Development (Proposal HS1 refers) in the Council's adopted Unitary Development Plan (February 2000). Accordingly valuations referred to below will reflect residential development land values rather than the current use as a school.

FREEHOLD TRANSFER

- 3.5 United Utilities has installed the underground tank within the area edged red on the attached plan and wish to acquire control of the land above it, as it will need safe access for inspection and maintenance at all times. This could not be practically achieved if the land were to remain part of the school site. Permanent enclosure of

the land helps ensure the safety of pupils of Clare Mount Specialist Sports College. The land could be described as peripheral playing field land.

- 3.6 United Utilities has agreed the Freehold Transfer of the land on the following basis:
- i. Transfer will be subject to Member authorisation.
 - ii. Transfer will be subject to any necessary ratification by the Secretary of State for Education that the land can be released from the school site.
 - iii. Consideration is to be in the sum of £62,200.
 - iv. United Utilities will be responsible for maintaining boundary fences erected as part of their scheme of works.
 - v. United Utilities will pay the Council's reasonable legal fees, which will be determined and agreed on completion.
 - vi. United Utilities will pay the Council's surveyor's costs of £750.

- 3.7 The Council has a legal obligation under the provisions of the Local Government Act 1972 to obtain the best price reasonably obtainable on the disposal of its land and property. The price to be paid in this instance is in line with comparable residential development land values. As such, the terms reported in 3.6 are considered to properly reflect the value of the land and a sale on those terms will ensure the best value obligation has been met.

FREEHOLD DEPRECIATION – OTHER LAND

- 3.8 United Utilities has also used statutory powers to install new pipework within the main grounds of Clare Mount Specialist Sports College and to replace an outfall into the River Birket, close to Reeds Lane. In this instance there is no land transaction created, however, the Council is entitled to statutory compensation reflecting the depreciation of the capital value of the land affected – Freehold Depreciation.
- 3.9 Pipework was installed within the land shaded green on the attached plan at Clare Mount Specialist Sports College and United Utilities has agreed to compensate the Council for the resulting Freehold Depreciation in the sum of £17,800.
- 3.10 A very small section of land adjacent the River Birket was taken up by new pipework and United Utilities has agreed to compensate the Council for the resulting Freehold Depreciation in the sum of £500.
- 3.11 The Council is entitled to compensation for Freehold Depreciation under the provisions of the Land Compensation Act 1973. Based on comparable residential development land values, the agreed compensation reported in 3.9 and 3.10 above is considered to properly reflect the depreciated value of the land.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The freehold transfer of land will generate a capital receipt of £62,200
- 4.2 United Utilities has agreed to meet the Council's surveyor's fees in the sum of £750 in respect of the freehold transfer of land, along with the Council's reasonable legal fees, which will be determined and agreed on completion of the Transfer.

- 4.3 Compensation for Freehold Depreciation amounts to a receipt in the sum of £18,300.
- 4.4 United Utilities is obliged to pay the Council's surveyor's fees for the agreed Freehold Depreciation compensation according to a recognised fee scale. Legal services are not required as there is no land transaction created.

5.0 LEGAL IMPLICATIONS

- 5.1 Requisition of land for flood relief schemes is provided for under the Water Industries Act 1991.
- 5.2 The Council is obliged to obtain the best price reasonably obtainable when it disposes of land under s123 of the Local Government Act 1972.
- 5.3 Compensation for Freehold Depreciation is provided for under the provisions of the Land Compensation Act 1973.
- 5.4 The Transfer of land will require the preparation of appropriate legal documentation.

6.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS

- 6.1 There are no IT implications or staffing implications arising from the freehold disposal of land at Clare Mount Specialist Sports College.

7.0 RELEVANT RISKS

- 7.1 The scheme of works and transfer of land has been implemented under the statutory powers of the Water Industry Act 1991.
- 7.2 Any risks associated with the works, such as reinstatement, Health & Safety matters, risks to staff and pupils, etc, have already been dealt with satisfactorily.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 School staff and officers from Asset Management have been involved in consultations with United Utilities before and throughout the duration of the main works and subsequent reinstatement.

9.0 EQUALITY IMPLICATIONS

- 9.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?
No because there is no relevance to equality.

10.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 10.1 The land to be transferred is partly within the Primarily Residential Area and partly within a site allocated for Residential Development (Proposal HS1 refers) in the Council's adopted Unitary Development Plan (February 2000).

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APPENDICES

Location Plan

REFERENCE MATERIAL

SUBJECT HISTORY (last 3 years)

Council Meeting	Date