

## Record of Operational Decision

<b>Decision title:</b>	Payment for professional services costs in relation to the Edgar Street Grid Link Road and Urban Village / Hereford City Centre Transport Package land acquisition.																		
<b>Date of decision:</b>	30 May 2022																		
<b>Decision maker:</b>	Director for Economy and Environment																		
<b>Authority for delegated decision:</b>	<p>Cabinet member decision dated 16<sup>th</sup> February 2022: Hereford City Centre Transport Package (HCCTP)</p> <p><b>Decision -</b>  <a href="https://councillors.herefordshire.gov.uk/ieDecisionDetails.aspx?ID=8614">https://councillors.herefordshire.gov.uk/ieDecisionDetails.aspx?ID=8614</a></p> <p>That:</p> <p>(a) a) The land acquisition budget be increased and a reduction in budget for the remaining elements be approved as set out in exempt Appendix 1. Once the final payment is made the balance will be returned to the remaining elements;</p> <p>b) All operational decisions to be delegated to the Director of Economy and Place in consultation with the Cabinet Member for Infrastructure and Transport and Section 151 officer.</p>																		
<b>Ward:</b>	Aylestone Hill, Central, College, Eign Hill, Widemarsh																		
<b>Consultation:</b>	The Section 151 Officer, Finance team and Legal services have been consulted on the decision.																		
<b>Decision made:</b>	<p>To pay the following professional services to support the council in regards to payment of compensation and the reference to the Upper Tribunal in respect of land acquisition for the Edgar Street Grid Link Road and Urban Village / HCCTP</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Professional Service</th> <th style="text-align: left;">Amount (£)</th> </tr> </thead> <tbody> <tr> <td>Lambeth Smith Hampton</td> <td>145k</td> </tr> <tr> <td>Forensic accountant</td> <td>24k</td> </tr> <tr> <td>Barber Wadlow</td> <td>40k</td> </tr> <tr> <td>Pinsent Masons</td> <td>45k</td> </tr> <tr> <td>Counsel Advice</td> <td>£-k</td> </tr> <tr> <td>Planning advice</td> <td>£10k</td> </tr> <tr> <td>Highways expert witness</td> <td>£-</td> </tr> <tr> <td><b>Total</b></td> <td><b>£264k</b></td> </tr> </tbody> </table>	Professional Service	Amount (£)	Lambeth Smith Hampton	145k	Forensic accountant	24k	Barber Wadlow	40k	Pinsent Masons	45k	Counsel Advice	£-k	Planning advice	£10k	Highways expert witness	£-	<b>Total</b>	<b>£264k</b>
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<b>Reasons for decision:</b>	<p>A Compulsory Purchase Order (CPO) and Side Roads Order (SRO) were made on the 23 August 2013, to enable the delivery of the Link Road and following a public inquiry on 23 September 2014 both the CPO and SRO were confirmed by the Secretary of State for Communities and the Local Government and the Secretary of State for Transport respectively.</p> <p>A decision was made on the 24<sup>th</sup> September and 30<sup>th</sup> September 2021 to agree professional support required in regards to negotiating and agreeing statutory compensation due under s52 Land Compensation Act 1973 up until the 31<sup>st</sup> December 2021, the links to these decisions are:</p> <p><a href="https://councillors.herefordshire.gov.uk/ieDecisionDetails.aspx?ID=8257">https://councillors.herefordshire.gov.uk/ieDecisionDetails.aspx?ID=8257</a></p> <p><a href="#">Decision - Payment for professional services costs in relation to the Edgar Street Grid Link Road and Urban Village / Hereford City Centre Transport Package land acquisition - Herefordshire Council</a></p>																		

Other than Lambeth Smith Hampton the costs identified specifically relate to the one outstanding claim that relate to three property interests.

A further decision was made on 16<sup>th</sup> November 2021 to extend the standstill agreement to the 28 February 2022 in order to try and reach a settlement without the need to reference the claim to the Upper tier lands tribunal, the link to the decision is :

<https://councillors.herefordshire.gov.uk/ieDecisionDetails.aspx?ID=8386>

Ongoing professional support is required and this decision is to update the position and associated professional support costs to date and up to the submission of the statements of case.

To date the following payments have been made:

Professional Service	Amount (£)
Lambeth Smith Hampton	138k
Forensic accountant	12k
Barber Wadlow	28k
Pinsent Masons	29k
Counsel Advice	£7k
Planning advice	£5.6k
Total	£220k

All of the above have been procured in line with the council's contract procedure rules. The total payments will be £264k

**Highlight any associated risks/finance/legal/equality considerations:**

**Risks**

It is noted that in line with the provisions of the Land Compensation Act, compensation payments are subject to a daily interest charge until land compensation is agreed. The daily interest charge has been at 0.25% per annum, and settlements will reflect the interest during this period. Currently the interest rate is 0%. These are reviewed every three months. Unreasonable delays to agreeing and settling payments may incur additional costs on the basis of this daily charge, should the interest rate increase.

Additional costs may also be incurred from the claimants agents and solicitors associated with pursuing the outstanding payment. The Council are liable for these reasonable costs in relation to the CPO if payments are delayed.

**Financial**

The land budget was updated in the cabinet member decision of February 2022 to a value of £17,750,000:

<https://councillors.herefordshire.gov.uk/ieDecisionDetails.aspx?ID=8614>

The spend to date and estimated remaining commitments are £17,557,598 and this increase of £54k will total £17,611,598 and is within the agreed budget.

There may be a risk that further fees will be incurred as the claimants have made a referral to tribunal, this will be subject to a separate decision.

**Legal**

The council has external legal support to finalise any paperwork that may need to be completed.

**Equality**

There are no identified equality issues.

Details of any alternative options considered and rejected:	Not to use professional services. This not recommended as there is no in house resource or expertise.
Details of any declarations of interest made:	None

I am an officer delegated to make the decision

Signed:

Print Name: Ross Cook

Job Title: Corporate Director Economy and Environment