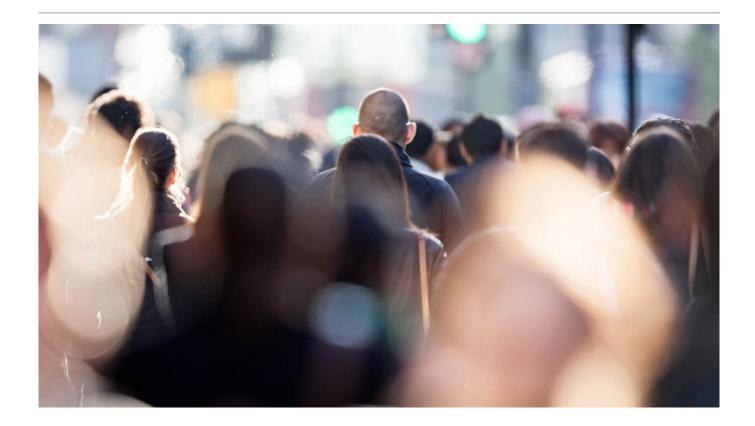
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Compulsory purchase orders: blight notices



In the second article on compulsory purchase we look at how blight notices can help landowners sell a property under threat of a compulsory purchase order (CPO).

Proposed development schemes can take years to implement and during this time homeowners under threat of a CPO may find that they are unable to sell their property.

The term "blight" refers to situations where the threat of a CPO causes the value of the homeowner's property to fall or renders it unsaleable.

Blight notices

Blight notices are a mechanism by which an acquiring authority can be forced to buy blighted property before the CPO has been produced. It applies to resident freeholders and leaseholders with at least three years remaining on their lease but owners of empty properties are not eligible.

In order to qualify, homeowners must show that their property is blighted by the threat of the CPO. They must have tried to sell their property at a realistic price for a reasonable period of time through a reputable estate agent and be able to show that they have been unable to sell except at a substantially reduced price. Generally speaking, around 6 months on the open market is considered a reasonable period of time.

Once the blight notice has been served, the authority must confirm within two months whether or not it will buy the property or serve a counter notice specifying one or more grounds of objection.

If the acquiring authority objects and the homeowner does not agree to the grounds, they can refer the matter to

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the Upper Tribunal (Lands Chamber) within two months of receiving the counter-office.

If the authority does not respond, the blight notice will go ahead automatically and the authority will have to buy the property.

Compensation for blight

Once the blight notice has been accepted, the homeowner will have three years to submit a blight claim and agree compensation with the acquiring authority. In the absence of agreement, the matter can be referred to the Upper Tribunal to make a decision on the amount of compensation to be received by the homeowner.

It is advisable to seek legal advice before agreeing to any compensation or offer in relation to a blight notice.

How we can help

If you need any advice our expert property disputes team are here to help.

Read the first article in this series on <u>compulsory purchase powers</u>.



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