



PRESS RELEASE

For immediate release

Compulsory Purchase Association opposes latest Government proposal on land value capture

The Compulsory Purchase Association (CPA) has published a response to the Government's recent consultation exercise relating to land value capture, opposing the proposal that valuation methodology that applies following compulsory purchase could be used as a means of capturing more land value than it currently does.

The not for profit membership organisation states that there may be a fundamental misunderstanding about how the existing statutory provisions provide for compensation to be assessed in practice and that while compulsory purchases can and do achieve land value capture in some circumstances, it is not its primary purpose. The economic benefits that arise from compulsory acquisition have a wider role to play in the delivery of land for infrastructure, regeneration and housing.

Furthermore, changes to the statutory compensation rules would risk creating a two-tier land market and the CPA argues that any effective land value capture method should apply equally to all land, not just land subject to compulsory acquisition.

Chair of the CPA and Partner at law firm Gowling WLG Vicky Fowler said: "The changes that are being suggested would not create the fairer, faster system envisaged by last year's Housing White Paper. The current statutory compensation framework ensures that compensation is rarely paid to reflect the value of land with planning consent where the consent does not actually exist and value which is attributable to the acquiring authority's scheme or associated transport infrastructure is excluded from compensation.

"As well as this, landowners facing undervalued compensation would likely oppose CPOs more vigorously than at present, resulting in more cost and delay to authorities seeking to secure compulsory purchase powers in the first place."



The CPA's full submission to the Housing, Communities and Local Government committee can be viewed here:

<http://www.compulsorypurchaseassociation.org/reform-papers.html>

Ends

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Notes to editor:

Compulsory Purchase Association

The CPA is a not for profit member organisation that promotes best and effective practice in the delivery of land for infrastructure, housing and regeneration through the use of compulsory purchase powers. The CPA has in excess of 770 members and spans a range of professional disciplines involved in the compulsory purchase process, including chartered surveyors, lawyers, barristers, forensic accountants, planners and land referencers. It is a non-partisan organisation and neither supports nor opposes specific public works schemes. The CPA's members represent both acquiring authorities and claimants affected by compulsory acquisition. The CPA is regularly asked by government departments to comment on proposed changes to the compulsory purchase and compensation system.