Property Procedure Rules

CONTENTS

- 1. <u>Interpretation</u>
- 2. General
- 3. Compliance with Legislation
- 4. Signature/Sealing of Property Contracts
- 5. Role of Surveyor
- 6. <u>Acquisitions</u>
- 7. Redeployment of Property
- 8. <u>Disposals</u>
- 9. Management
- 10. Mortgages
- 11. Compulsory Purchase and Compensation
- 12. Exceptions to Property Procedure Rules

These Rules constitute the Council's Standing Orders in relation to property contracts and the redeployment of property.

1.0 INTERPRETATION

1.1 These terms will have the following meanings in the Property Procedure Rules:-

ACE(LDS) The Assistant Chief Executive (Legal and Democratic Services)

Acquisition The acquisition of Property by the Council by whatever means, including:

- an option for a purchase or a lease
- a new lease for a Property previously leased in (a lease renewal), including an option to renew contained in an existing lease
- a Co-habitation Arrangement with another organisation in a non-Council Property
- the surrender or assignment of a lease to the Council, including the operation of a break clause

but excluding:

- a mortgage of Property owned by a third party in favour of the Council
- a licence with a term of no more than one year and at a fee of no more than £15,000

Co-habitation Arrangement

An arrangement with a third party to use space in a Council Property or for the Council to use space in a third party's Property without a lease or licence or the payment of a rent or fee, but normally with payments for a share of running costs. This often relates to space shared by cross-organisation teams

Council North Yorkshire County Council

CD-SR The Corporate Director - Strategic Resources

Director A Corporate Director of the Council including the Chief

Executive

Disposal The disposal of Property by the Council by whatever means, including

• the surrender or assignment of a lease by the Council including the operation of a break clause

- a Co-habitation Arrangement with another organisation in a Council Property
- the grant of a licence of all or part of a Property to a third party

but excluding

- the granting of a mortgage in respect of Property owned by the Council
- a licence with a term of no more than one year and at a fee of no more than £15.000

Licence from a third party

An agreement for the non-exclusive use of property owned by a third party. This is usually limited by hours of operation or by sharing occupation

Licence to a third party

An agreement for use of Council owned property by a third party. This is usually limited by hours of operation or by sharing occupation

Officer A Council employee or other authorised agent

Property Any estate or interest in land and/or buildings

Property Contract

A contract relating to Property including (but not limited to) transfers, leases, options, easements, (except easements for highway drainage granted under, or as a consequence of an agreement made under Section 38 (adoption of new highways) or Section 278 (development of existing highways) of the Highways Act 1980) tenancy agreements, licences, and variations and releases from restrictive covenants, user rights granted under local government reorganisation arrangements and wayleaves, but excluding those contracts entered into by school governing bodies under their delegated powers

Redeployment

The re-allocation of a Property by the Council for a purpose different to that for which it has hitherto been used including to disposal

Surveyor

A professionally qualified surveyor or valuer employed or otherwise retained by the Council to provide expert advice on Property Contracts

Tenderer

A person who has expressed an interest in tendering for a Property Contract or who has tendered for a Property Contract

- 1.2 References in these Rules to:-
 - (a) any legislation (e.g. Act of Parliament, Statutory Instrument, EU Directive) include a reference to any amendment or re-enactment of such legislation;
 - (b) the singular include the plural and vice versa;
 - (c) the masculine include the feminine and vice versa;
 - (d) Directors, the CD-SR and the ACE(LDS) shall be taken to include such Officers as are designated by them to undertake the duties and responsibilities set out in these Rules.
- 1.3 References in **Rules 6.1, 7.2 and 8.1** to values for the purpose of the approvals which are necessary for Acquisitions, Disposals and Redeployments of Property are to the values estimated at the time the approval is given; any such approval is not invalidated by the fact that the actual Acquisition or Disposal figure differs from the estimated figure. The value of any transaction shall be taken to be the Surveyor's opinion as to the open market value as between willing parties.
- 1.4 Where these Rules refer to approvals being sought or given for the Acquisition, Disposal or Redeployment of Property, such approval may relate to one particular Property or to a particular description or class of Property; but where it relates to more than one Property, the value shall be calculated as the aggregate value of all of the Property of that description or class.

1.5 Key Principles of Property Procedure Rules

- 1.5.1 Subject only to the exception in **1.5.4** responsibility for all transactions relating to Council Property vests in the Asset Management Section within the Corporate Directorate Strategic Resources.
- 1.5.2 In nearly all respects, therefore, individual Officers outside Asset Management have no authority to enter into any commitment relating to Property, or to conduct any negotiations in connection with Property even on an informal basis. Officers must therefore inform Asset Management about any impending Property matter at the earliest stage practicable and, wherever possible, before any contact is made with the owner of a Property or with a person who wishes to use the Council Property.
- 1.5.3 The CD-SR is responsible for either granting or obtaining all approvals for property transactions.
- 1.5.4 The only exceptions to the key principle are set out in **Rule 4.4**.

2.0 GENERAL

- 2.1 These Rules are made by the Council on the advice of the CD-SR, in consultation with the ACE(LDS).
- 2.2 These Rules apply to all Property Contracts.
- 2.3 These Rules shall be applied in conjunction with the following documents:
 - (a) Asset Management Planning Framework: Acquisition Process
 - (b) Asset Management Planning Framework: Redeployment Process
 - (c) Asset Management Planning Framework: Disposals

(d) Asset Management Planning Framework: Rent and Rent Reviews

- 2.4 The Council has made Financial Procedure Rules ('FPR') which apply to budgetary and other issues relating to property; the FPR shall be applied in conjunction with these Rules. The Council has also made Procurement and Contract Procedure Rules, but they do not apply to Property Contracts.
- 2.5 The CD-SR (in consultation with the ACE(LDS)) shall review the application and effect of these Rules and make an annual report to the Audit Committee recommending such amendments to the Rules as are considered appropriate.
- 2.6 Property Contracts and documentation and correspondence relating to them shall be retained for the periods prescribed by the Council's Records Retention and Destruction Schedule.
- 2.7 Every Officer shall comply with these Rules unless a waiver is granted under **Rule 11.1**. Failure to comply may lead to disciplinary action.
- 2.8 Each Director shall ensure that Officers within their Directorate, and contractors working for the Council, are aware of and comply with these Rules and the documents referred to in **Rule 2.3**.
- 2.9 The CD-SR shall be responsible for monitoring adherence to these Rules.

3.0 COMPLIANCE WITH LEGISLATION

- 3.1 Every Property Contract shall comply with all relevant applicable legislation and government guidance including:-
 - (a) EU Law
 - (b) Acts of Parliament
 - (c) Statutory Instruments
- 3.2 The ACE(LDS) shall ensure that the Council has the legal power to enter into any Property Contract and that the Council does not purport to enter into any such contract which is ultra vires.

4.0 SIGNATURE/SEALING OF PROPERTY CONTRACTS

- 4.1 No Property Contract shall be completed unless proper approval has been given in accordance with these Rules.
- 4.2 Subject to Rules 4.3 and 4.4, every Property Contract must be: -
 - (a) executed as a Deed by the ACE(LDS); or by a Legal and Democratic Services Officer authorised by her; or
 - (b) signed by the ACE(LDS); or by a Legal and Democratic Services Officer authorised by her (if the value is less than £50,000); or
 - signed by the ACE(LDS); or by a Legal and Democratic Services Officer authorised by her and another officer authorised by ACE(LDS) (if the value is £50,000 or more).
- 4.3 The CD-SR is authorised to sign Property Contracts comprising wayleaves, agricultural tenancy agreements or agricultural licences provided that:-
 - (a) the Property Contract is in a nationally recognised form or in a form prepared or approved by the ACE(LDS); and

- (b) two signatories are required if the value is £50,000 or more.
- 4.4 All Directors are authorised to approve and sign Licences to or from third parties provided that:-
 - (a) the Licence is for a period not exceeding one year; and
 - (b) the Licence is for a fee not exceeding £15,000.

5.0 ROLE OF SURVEYOR

5.1 The CD-SR shall instruct the Surveyor to act on behalf of the Council in connection with Property Contracts in accordance with these Rules.

6.0 ACQUISITIONS

6.1 Approval for Acquisitions

- 6.1.1 Subject to **Rule 6.1.4(a)** and **Rule 10** whenever it is proposed that Property should be acquired by the Council, the CD-SR is responsible for seeking the approval which is necessary in accordance with this **Rule 6.1**.
- 6.1.2 No approval shall be sought or given for the Acquisition of any Property unless there is adequate budgetary provision for the Acquisition and any expenditure consequent upon the Acquisition.
- 6.1.3 In respect of the Acquisition of Property **other than** by lease or licence or other agreement for a rent or licence fee or other annual payment or by option:
 - (a) the CD-SR may approve any Acquisition up to £250,000 in value:
 - (b) the Executive Member for Central Services may approve any Acquisition up to £1,000,000 in value;
 - (c) the Executive may approve any Acquisition and must approve any Acquisition over £1,000,000 in value;
 - (d) any Acquisition which is above market value in the opinion of the surveyor must be justified within the report which forms part of the approval process.

For the purposes of this Rule, the value in relation to the surrender of a lease to the Council is the capitalised value of the rent or licence fee foregone as a result of the surrender.

- 6.1.4.1 Subject to **Rule 6.1.4.2** in respect of the Acquisition of Property by lease or licence or other agreement for a rent or licence fee or other annual payment:
 - (a) the CD-SR may approve any Acquisition where the annual rent or fee or other annual payment is £25,000 or less;
 - (b) the Executive Member for Central Services may approve any Acquisition where the annual rent or fee or other payment is £100,000 or less;
 - (c) the Executive may approve any Acquisition and must approve any Acquisition where the annual rent or fee or other annual payment is more than £100,000;
 - (d) any Acquisition which is above market value in the opinion of the surveyor must be justified on the report which forms part of the approval process.

For the purpose of this Rule, the annual rent or fee or other annual payment means the initial rent or fee or other annual payment payable by the Council (but ignoring any discount or rent-free period).

- 6.1.4.2 In the case of the payment of a premium by the Council for a lease the approvals required shall be sought according to the value bands in **Rule 6.1.3**.
- 6.1.5 In respect of the Acquisition of Property by option:
 - the CD-SR may approve the securing of an option providing that the anticipated total cost payable to secure the option does not exceed the available budget provision
 - b) the Executive may approve the securing of an option and must approve the securing of any option for which the anticipated total cost payable to secure the option exceeds the available budget provision
 - c) approval for the exercise of any option shall be subject to the same value bands as set out in **Rules 6.1.3 and 6.1.4.1**
 - d) should it become necessary to vary the terms of an existing option, approval shall be sought subject to the same value bands as set out in **Rules 6.1.3 and 6.1.4.1**.

For the purpose of this Rule, the relevant value for securing options is the cost of securing the option plus the value of the resulting transaction. The relevant value for exercising options is the value of the transaction to be entered into.

6.2 Terms of Acquisition

- 6.2.1 The Surveyor is responsible for negotiating the terms for the Acquisition of Property and for any subsequent rent reviews, if relevant.
- 6.2.2 The CD-SR is responsible for approving the terms for the Acquisition of Property, and shall report such terms to the ACE(LDS).
- 6.2.3 The ACE(LDS) is responsible for preparing and completing the documentation for the Acquisition of Property in accordance with the terms referred to in **Rule 6.2.1**, subject to any variations agreed with the CD-SR and subject also to such further terms as the ACE(LDS) considers appropriate in the best interests of the Council.

7.0 REDEPLOYMENT OF PROPERTY - OTHER THAN FOR DISPOSAL

7.1 As soon as a Director identifies the fact that a Property used by his/her Directorate is no longer required for its current use, the Director shall inform the CD-SR. The CD-SR shall then enquire whether the Property is of use to any other Director in connection with the service(s) for which they are responsible and subject to the response received shall apply the redeployment process in **Rule 7 or 8** as appropriate.

7.2 Approval for Redeployment – other than for disposal

7.2.1 Whenever it is proposed that Property should be redeployed other than for disposal by the Council, the CD-SR is responsible for seeking the approval which is necessary in accordance with this **Rule 7.2**.

- 7.2.2 In the case of any Redeployment of Property other than for disposal which is **not** held by the Council on a lease or licence:
 - (a) the CD-SR may approve any Redeployment of Property up to £500,000 in value;
 - (b) the Executive Member for Central Services may approve any Redeployment of Property up to £1,000,000 in value;
 - (c) the Executive may approve any Redeployment, and must approve any Redeployment of Property over £1,000,000 in value.
- 7.2.3.1 Subject to **Rule 7.2.3.2** in the case of any Redeployment of Property other than for disposal which is held by the Council on a lease or licence:
 - (a) the CD-SR may approve any Redeployment where the annual rent or fee is £25,000 or less:
 - (b) the Executive Member for Central Services may approve any Redeployment where the annual rent or fee is £100,000 or less;
 - (c) the Executive may approve any Redeployment and must approve any Redeployment where the annual rent or fee is more than £100,000.

For the purpose of this Rule, the annual rent or fee means the rent or fee payable by the Council at the time of the Redeployment (but ignoring any discount or rent-free period).

7.2.3.2 In the case of a property held by the Council on lease where a premium has already been paid the approvals required shall be sought pursuant to 7.2.3.1.

7.3 Terms of Redeployment – other than for disposal

7.3.1 Once approval for Redeployment has been given, the CD-SR is responsible for arranging the Redeployment in accordance with the Redeployment Process Guidance which forms part of the Asset Management Planning Framework referred to in **Rule 2.3(b)**.

8.0 REDEPLOYMENT FOR DISPOSAL

8.1 Approval for redeployment for Disposal

- 8.1.1 Whenever it is proposed that Property should be disposed of by the Council, the CD-SR is responsible for seeking the approval which is necessary in accordance with this **Rule 8.1**.
- 8.1.2.1 Prior to a decision to dispose of a property, it is necessary to confirm whether this was purchased using grant funding. If so, steps must be taken to ensure that the disposal and the allocation of proceeds complies with any grant conditions. Any grant conditions that conflict with the rules set out below will always take precedence. If this is the case, the advice of the CD-SR and the ACE(LDS) should be sought before any steps to dispose are taken.
- 8.1.2.2 Subject to **Rule 8.1.4**, in respect of the Disposal of Property **other than** by lease or licence or other agreement for a rent or licence fee or other annual payment:
 - (a) the CD-SR may approve any Disposal up to £500,000 in value;
 - (b) the Executive Member for Central Services may approve any Disposal up to £1,000,000 in value;

- (c) the CD-SR may approve any Disposal of land or property which forms part of the County Farms estate, irrespective of value,
- (d) the Executive may approve any Disposal and must approve any Disposal over £1,000,000 in value (subject to **Rule 8.1.2.2(c)**) shall be subject to the approval of the Executive.

For the purpose of this Rule, the value in relation to options means the value of the transaction resulting from the option and not the value of the option itself. For the purposes of this Rule, the value in relation to the surrender of a lease by the Council is the capitalised value of the rent or licence fee which would have been paid, but for the surrender.

- 8.1.3.1 Subject to **Rule 8.1.3.2** and **Rule 8.1.4**, in respect of the Disposal of Property by lease or licence or other agreement for a rent or licence fee or other annual payment:
 - (a) the CD-SR may approve any Disposal where the annual rent or fee or other annual payment is £50,000 or less;
 - (b) the Executive Member for Central Services may approve any Disposal where the annual rent or fee or other annual payment is £100,000 or less;
 - (c) the Executive may approve any Disposal but any Disposal where the annual rent or fee or other annual payment is more than £100,000 shall be subject to the approval of the Executive.

For the purpose of this Rule, the annual rent or fee or other payment means the initial rent or fee payable or other payment to the Council (but ignoring any discount or rent-free period). For the purposes of this Rule in relation to options, the annual rent or fee means the initial rent or fee payable to the Council under the lease or licence resulting from the option.

8.1.3.2 In the case of the Disposal of property by lease where a premium is payable to the Council the approval required shall be sought pursuant to the value bands referred to in **Rule 8.1.2**.

8.1.4.1 Disposals at an Undervalue

Where the disposal of any property is being considered which is likely to result in either a sale or long lease (seven years or more) at an undervalue the following provisions shall apply subject to Rule 8.1.4.2:-

(a) In respect of Disposal of Property other than by lease or licence or other agreement for rent or licence fee or other annual payment the relevant approvals shall be sought in accordance with the following:

Approver	Maximum market value	Maximum undervalue authority
Corporate Director – Strategic Resources	£50,000	100%
Corporate Director – Strategic Resources	£250,000	50%
Executive Member for Central Services	£250,000	100%

Executive Member for Central Services	£500,000	50%
Executive	No limit	100% except where the undervalue is £2m or more
Secretary of State	No limit	No limit

(b) In respect of Disposal of Property by lease or licence or other agreement for rent or licence fee or other annual payment the relevant approvals shall be sought in accordance with the following:

Approver	Maximum annual rental value	Maximum undervalue authority
Corporate Director – Strategic Resources	£10,000	100%
Corporate Director – Strategic Resources	£25,000	50%
Executive Member for Central Services	£25,000	100%
Executive Member for Central Services	£100,000	50%
Executive	No limit	100% except where the undervalue is £2m or more
Secretary of State	No limit	No limit

- (c) In respect of Disposal of Property by lease or licence involving the payment of a premium the approvals shall be sought according to the value bands in the table in paragraph (a) above.
- (d) For the purposes of this Rule, the undervalue is the difference between the unrestricted value of the property to be disposed of and the consideration for the disposal.
- (e) For all disposals of property at undervalue (except transfers pursuant to the Academies Act 2010, where Rule 8.1.4.2 applies), the purpose for which the property is to be disposed of must be likely to contribute to the promotion or improvement of the economic, social or environmental well being of the whole or any part of the Council's area, or of all or any persons resident or present in its area.

Academies Act 2010

8.1.4.2 In respect of the Disposal of Property by lease, licence, freehold, transfer or otherwise where such Disposal is made in accordance with a Transfer Scheme made by the Secretary of State pursuant to the Academies Act 2010 the relevant approval for the Disposal shall be sought from the Lead Executive Member for (Children's Act 2004), children's services, special education needs and youth justice by the Corporate Director – Strategic Resources; the Executive Member may give such approval regardless of the undervalue of the disposal.

The Right to Buy

8.1.5 Where right to buy applications are made to the Council under the Housing Act 1985 the ACE(LDS), in consultation with the CD-SR, shall be responsible for the admission

or denial of the application of the right to buy and, where the right to buy is admitted, the ACE(LDS) shall dispose of the Property in accordance with the said Act.

External Consents to Disposal

8.1.6 The CD-SR is responsible for obtaining such external consents (if any) as are required for a Disposal (except in relation to the disposal of school playing fields, for which the Corporate Director Children and Young People's Service shall be responsible for seeking any necessary approvals).

8.2 Terms of Disposal

- 8.2.1 The Surveyor is responsible for negotiating the terms for the Disposal of Property and for any subsequent rent reviews, if relevant.
- 8.2.2 The CD-SR is responsible for approving the terms for the Disposal of Property and shall report such terms to the ACE(LDS).
- 8.2.3 The ACE(LDS) is responsible for preparing and completing the documentation for the Disposal of Property in accordance with the terms referred to in **Rule 8.2.1** subject to any variations agreed with the CD-SR and subject also to such further terms as the ACE(LDS) considers appropriate in the best interests of the Council.
- 8.2.4 Except where an approval has been obtained in accordance with **Rule 8.1.4**, the CD-SR shall ensure that whenever terms for a Disposal of a Property are being determined, the best consideration for the Disposal shall be obtained by the Council pursuant to Section 123 of the Local Government Act 1972.

8.3 **Method of Disposal**

- 8.3.1 The CD-SR shall take such professional advice from the Surveyor as is necessary to ensure that the most appropriate disposal process is used.
- 8.3.2 The Surveyor's advice shall take account of all relevant factors relating to a Disposal including the following:-
 - (a) the likely value of the Property;
 - (b) the potential market for the Property;
 - (c) the likelihood of obtaining alternative planning consents for the Property and their effect upon the valuation:
 - (d) the costs of the Disposal process (including advertising and other marketing);
 - (e) the time likely to elapse between offering the Property for Disposal and the projected completion date of the Disposal; and
 - (f) all other relevant factors.

8.4 **Disposals by Tender**

- 8.4.1 This **Rule 8.4** applies to all Disposals of Property by tender whether the tender is subject to contract or is capable of immediate acceptance.
- 8.4.2 A tender may only be considered if:-
 - (a) it has been received in a sealed envelope marked "Tender" and indicating the Property referred to in the tender; and
 - (b) the identity of the Tenderer cannot be ascertained from the tender envelope; and

- (c) subject to **Rule 8.4.5**, the tender has been returned to the ACE(LDS) before the tender closing date (which shall be a time and date when County Hall is open for business).
- 8.4.3 The ACE(LDS) shall be responsible for the reception and safe custody of tenders until they are opened.
- 8.4.4 Tenders must be opened at the same time and in the presence of the ACE(LDS) who shall maintain a record of the tenders received. Such a record shall include the date and time of tender opening, the identity of the Officer present, the identities of Tenderers and the tendered amounts. A copy of such a record shall be provided as soon as practicable to the CD-SR.
- 8.4.5 If a tender is received after the specified tender closing date it may not be considered unless the ACE(LDS) is satisfied that the tender was posted or otherwise dispatched in sufficient time to be delivered before the specified time but that delivery was prevented by an event beyond the control of the Tenderer and that other tenders have not been opened.

Tender Evaluation

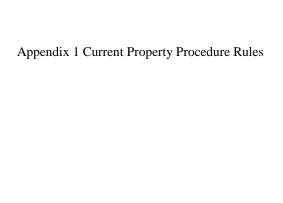
8.4.6 Tenders shall be evaluated by the CD-SR in consultation with the Surveyor. The CD-SR shall accept the tender which offers the best consideration for the Property in accordance with **Rule 8.2.3** above. The CD-SR shall ensure that the tender evaluation process is fair, and so far as consistent with the achievement of best consideration by the Council, that the basis on which tenders are to be evaluated has been established before tenders are opened. If all of the tenders are not submitted on the same basis (for example, if some tenders are conditional on planning permission being granted for a particular use of the property), then the CD-SR shall consult the Surveyor in relation to the evaluation of the bids, and a document will be produced by the CD-SR, setting out the reasoning which has been applied to determine which tender has been judged to offer the best consideration for the Property.

Alterations to Tenders

8.4.7 Tenders may not be altered by Tenderers after the tender closing date except where the CD-SR is satisfied that arithmetical errors having been inadvertently made by the Tenderer, the Tenderer can be invited to correct them.

Post Tender Negotiations

- 8.4.8 Post tender negotiation may be undertaken in accordance with the following conditions:-
 - (a) The CD-SR considers that added value may be obtained;
 - (b) the post tender negotiations are undertaken either with all Tenderers, or with such Tenderer(s) as the CD-SR considers it appropriate to invite having regard to the value of their tenders and any conditions attached to them;
 - (c) the post tender negotiations are conducted by a team comprising the Surveyor and suitably experienced Officers approved by the CD-SR and trained in post tender negotiations:
 - (d) a record of the negotiations and any added value obtained from them is kept by the CD-SR; and
 - (e) any such added value obtained by the post tender negotiations is incorporated into the Property Contract with the successful Tenderer.



9.0 MANAGEMENT

Approval for Rent Reviews

9.1 The CD-SR may approve the completion of a rent review memorandum provided that the original lease included provisions for the rent review.

Variation of lease terms

9.2 The CD-SR may approve any variation to the terms of an existing lease or other agreement (including the grant of a licence to assign or sublet) except that, if the variation would result in a decrease to the rent or licence fee, **Rule 6.1.4** shall apply.

Dilapidations Claims

9.3 The CD-SR may approve the settlement of dilapidations claims where the Council is landlord or tenant, and to any value.

Release or variations of restrictive covenants

- 9.4 In respect of the release or variation of restrictive covenants:
 - (a) the CD-SR may approve any release or variation up to £500,000 in value;
 - (b) the Executive Member for Central Services may approve any release or variation up to £1,000,000 in value;
 - (c) the Executive may approve any release or variation and must approve any release or variation over £1,000,000 in value.

For the purposes of this Rule, the value is the value of the payment to effect the release or variation.

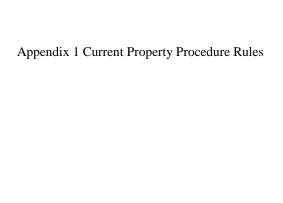
Restrictions on Title

9.5 The CD-SR may instruct the ACE(LDS) to place or remove restrictions on the title of any property owned by the Council, or to place restrictions on the title of properties owned by third parties, provided that such restrictions are to secure a grant or other loan to or from the Council.

10.0 MORTGAGES

- 10.1 The CD-SR may instruct the ACE(LDS) to enter into a mortgage of property owned by a third party where it is considered appropriate for the Council to secure its interests in respect of a grant or loan made to such a third party.
- 10.2 In respect of mortgages of property owned by the Council:-
 - (a) only the Executive may approve such a mortgage and
 - (b) the terms of the mortgage shall be determined by the CD-SR in consultation with the ACE(LDS).

The ACE(LDS) shall take such steps as are necessary to discharge a mortgage (whether the Council is mortgagee or mortgagor) upon the instruction of the CD-SR.



11.0 COMPULSORY PURCHASE AND COMPENSATION

- 11. If a Director, in consultation with the CD-SR and the ACE(LDS), considers that it is necessary for compulsory powers to be exercised by the Council to acquire property in connection with a Council function then the Director shall seek all such approvals as are necessary (including, but not limited to, from the Secretary of State) to enable compulsory powers to be used but shall only do so after the Executive has approved the proposed exercise of such powers.
- 11.2 An approval given by the Executive to use compulsory powers shall be deemed to include the approvals necessary to acquire the Property the subject of the Compulsory Purchase Order, this shall apply regardless of:-
 - (a) the number of sites to be acquired; and
 - (b) the value of such sites subject to the Executive having first given budgetary approval to the proposed expenditure in connection with their acquisition.
- 11.3 **Rule 6.2** shall apply to the approval of terms for the acquisition of interests under Compulsory Purchase Orders.
- 11.4 The CD-SR shall also be responsible for instructing the Surveyor to agree claims for compensation made by third parties as a consequence of the Compulsory Purchase Order; once the terms have been agreed and approved by the CD-SR they shall be reported to the ACE(LDS) who shall be responsible for preparing and completing the documentation.

12.0 EXCEPTIONS TO PROPERTY PROCEDURE RULES

12.1 The CD-SR and the ACE(LDS) may agree specific waivers to the Property Procedure Rules, other than **Rules 6.1, 7.2, 8.1 and 10.2**.