

### Property / Regeneration Briefing

In line with advice from HM Government, the council is now holding only essential meetings. This plays a part in helping us to maintain the safety of the public, staff and councillors. These meetings are being held electronically and, unfortunately, you will not be able to attend them.

However, the City Mayor has asked that, as far as possible, there is still public involvement and input into the decision-making process.

Therefore, should you wish to raise a question or comment on any of the items listed, which will be presented at the meeting on your behalf, you can do so in writing, by sending an email to the address at the bottom of this agenda.

Please do this by 4.30pm on the day before the meeting is due to take place.

Decision notices or minutes from meetings will be available as appropriate. Should you wish to view decisions taken meetings of the Cabinet and other Lead Member Briefings, they will be available for viewing on the council website - <https://sccdemocracy.salford.gov.uk/mgDelegatedDecisions.aspx>

Further information on the coronavirus and what it means for Salford can be found on the council website - <https://www.salford.gov.uk/coronavirus>

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**DATE:** Thursday, 16 July 2020

**TIME:** 11.30 am

**VENUE:** Microsoft Teams Meeting

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#### AGENDA

#### **THE MEETING CAN BE ACCESSED BY THE LINK BELOW**

[https://teams.microsoft.com/l/meetup-join/19%3ameeting\\_YmVjNDhjNTctODgwMC00NmI5LThkYzQtNTNmNGEzNjFiZjY2%40thread.v2/0?context=%7b%22Tid%22%3a%2268c00060-d80e-40a5-b83f-3b8a5bc570b5%22%2c%22Oid%22%3a%22573d04a0-0ae6-41ac-938f-3d1aa4fc5fd1%22%2c%22IsBroadcastMeeting%22%3a%22true%7d](https://teams.microsoft.com/l/meetup-join/19%3ameeting_YmVjNDhjNTctODgwMC00NmI5LThkYzQtNTNmNGEzNjFiZjY2%40thread.v2/0?context=%7b%22Tid%22%3a%2268c00060-d80e-40a5-b83f-3b8a5bc570b5%22%2c%22Oid%22%3a%22573d04a0-0ae6-41ac-938f-3d1aa4fc5fd1%22%2c%22IsBroadcastMeeting%22%3a%22true%7d)

- 1 **Apologies for absence**
- 2 **Declarations of interest**
- 3 **Items for Decision - Part 1 (Open to the Public)**

*No items*

- 4 **Briefing/Information Items**

The following item is for the purpose of providing members of the public with all relevant information on the respective matter, other than those elements, which in accordance with the relevant sections of the Local Government Act 1972, remain confidential and require that any arising decision is taken in Part 2 of the agenda:

- 4a Ralli Courts, Stanley Street, Ordsall (Pages 1 - 6)
- 5 Exclusion of the Public**
- 6 Items for Decision - Part 2 (Closed to the Public)**
- 6a Ralli Courts, Stanley Street, Ordsall (Pages 7 - 10)
- 7 Any other business**

Contact Officer: Mike Relph, Senior Democratic Services Advisor  
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Part 1 Open to the public

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## REPORT OF THE STRATEGIC DIRECTOR PLACE

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TO THE CITY MAYOR

16<sup>TH</sup> JULY 2020

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**TITLE:** - 1,2,15,16,17,18 Ralli Courts, Stanley Street, Salford M3

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### RECOMMENDATIONS:

1. The City Mayor is recommended to note the proposed negotiation threshold figure for the full and final settlement under all heads of the claim via mediation and that the final agreed figure will be delegated to and approved by The Strategic Director of Place as set out in the body of this report on the terms of which are set out in an accompanying Part 2 report.
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### EXECUTIVE SUMMARY:

The subject properties shown edged red on the attached plan formed part of the Ralli Courts Estate (shown edged blue on the attached plan for identification purposes). The land was included in the Salford Central CPO 2010 and vested with the City Council on 30<sup>th</sup> April 2014.

The claimants and the City Council as acquiring authority have been in negotiations for a number of years in relation to the level of compensation to be paid to the claimants. Agreement has not been reached and the claimants have made a reference to the Upper Tribunal Lands Chamber to seek independent determination. Before a hearing takes place the parties have agreed to undertake mediation with a view to agreeing the settlement of compensation without recourse to the Tribunal.

The accompanying Part 2 report seeks approval to an upper limit of compensation in advance of the mediation and, subject to agreement being reached, that the Council then enters into a legally binding settlement agreement to be signed by the parties at the end of the mediation process. This agreement will detail that a payment (for an amount up to and no more than the maximum figure detailed in the accompanying Part

2 report) and adjusted to reflect advance payment received by the claimant to date can be paid to the claimant within an agreed timeframe after the settlement agreement is signed and will give the parties certainty that the agreed level of compensation will be legally binding and paid to the claimant's in full and final settlement of all claims made against the Council, in turn alleviating the risk and cost of a future Upper Tribunal Lands Chamber hearing.

In the event that settlement cannot be reached during the mediation process the case will be progressed to a hearing at an Upper Tribunal Lands Chamber and any necessary actions required for approval will be reported at the appropriate time.

## BACKGROUND DOCUMENTS:

Report to the Lead Member for Planning on 22<sup>nd</sup> October 2007 - Salford Central Planning Guidance.

Report to the Lead Member for Planning on 27<sup>th</sup> July 2010 and 29<sup>th</sup> November 2010 Proposed CPO for Salford Central.

Report to the City Mayor on 9<sup>th</sup> June 2014 - Units 1, 2, 15, 16, 17 and 18 Ralli Courts, Stanley Street, Salford .

Report to the Deputy City Mayor on 12<sup>th</sup> August 2014 - Units 1, 2, 15, 16, 17 and 18 Ralli Courts, Stanley Street, Salford.

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KEY DECISION: YES

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## DETAILS:

### 1.0 **Background**

- 1.1 The Lead Member for Planning on the 27<sup>th</sup> July 2010 approved the making of the Salford Central CPO and also that the City Solicitor acquire all interests either by agreement or compulsorily. All interests required for the scheme have been acquired by agreement or compulsorily purchased by the execution of a General Vesting Declaration or Notice to Treat and Notice of Entry.
- 1.2 All costs and compensation associated with both the CPO and the acquisitions by agreement have been and continue to be funded by the Revolving Acquisition Fund (RAF) that was approved on 27<sup>th</sup> July 2010 to support the Salford City Council (Salford Central) Compulsory Purchase Order 2010 (CPO). The RAF operates by the Council funding acquisitions in order to assemble sites then the money is paid back to the Council as plots are developed and sold. This arrangement has operated successfully and there is currently a positive balance in the RAF to fund outstanding claims.

- 1.3 1,2,15,16,17,18 Ralli Courts shown edged red on the attached plan were included in the Ralli Courts Estate which is identified edged blue on the attached plan.
- 1.4 The land was included in the Salford City Council Salford Central Compulsory Purchaser Order 2010 and vested with the Council under a General Vesting Declaration on 30<sup>th</sup> April 2014. The properties have since been demolished and the land now forms part of the New Bailey estate.

## **2.0 Details**

- 2.1 The claimant's known collectively as Ralli Leaseholders submitted their claim for compensation and negotiations commenced prior to vesting. The claimants' are inter-related and include several individuals; (1) AJ Bell (PP) Trustees Limited (2) Adrian Anderson (3) Stephen Fox (4) Martin Coyne (5) Michael Rainford and (6) Harold Booth. The parties held long leasehold and occupational leases.
- 2.2 The Council and its partner English Cities Fund (ECf) appointed Keppie Massie, an independent firm of surveyor's with experience of negotiating compensation settlements. .
- 2.3 Despite negotiations having continued between the parties since the properties vested, agreement to the level of compensation has not been reached. As a result the claimants submitted a reference to the Upper Tribunal Lands Chamber for an independent determination.
- 2.4 However, before the case is heard at Tribunal the parties have agreed to stay the proceedings and attend a mediation hearing with a view to trying to agree the claim and, if necessary, to demonstrate to the Tribunal that a reference is a last resort if a hearing is subsequently needed.
- 2.5 The mediation has been scheduled for 23rd July 2020 and the Mediator that has been appointed by mutual agreement between the parties is Patrick Walker of In Place Of Strife (IPOS) Mediation.
- 2.6 The Council's legal advisors have advised that if an agreement can be reached between the parties during the mediation process, the agreed sum can, within a defined timescale afterwards, be documented in a legally binding settlement agreement. In order to be able to commit to this sum, it is necessary to seek approval in advance to an upper limit for the settlement and delegate authority for a senior officer to commit to the sum on the day of the mediation. The nominated officer in this case being the Strategic Director for Place..
- 2.7 Any figure agreed would be exclusive of the claimants' reasonable conveyancing costs.

2.8 All costs associated with the compulsory purchase and compensation in connection with the Salford Central CPO are covered the Council's development partner ECf under an indemnity funded by the RAF

2.9 In the event that settlement cannot be reached during the mediation process the case will progress to a hearing in the Upper Tribunal Lands Chamber and any necessary actions required for approval will be reported at the appropriate time.

### **3.0 Waiver of call in**

3.1 To enable this report to be considered and for the decision of the City Mayor to become effective before the mediation session on the 23<sup>rd</sup> July, and so not be subject to call in, it has been necessary to seek and obtain the following:

(1) advice from the Head of Paid Service that the decision being taken by the City Mayor is urgent because any delay likely to be caused by the call-in process would seriously prejudice the residents of Salford; and

(2) confirmation that the Chair of the Overview and Scrutiny Board or the relevant Scrutiny Panel has/have agreed both that the decision proposed is reasonable in all the circumstances and to it being treated as a matter of urgency.

3.2 Both the advice and confirmations detailed above have been obtained.

### **4.0 Recommendations:**

4.1 The City Mayor is recommended to note the proposed negotiation threshold figure for the full and final settlement under all heads of the claim via mediation and that the final agreed figure will be delegated to and approved by The Strategic Director of Place as set out in the body of this report on the terms of which are set out in an accompanying Part 2 report.

## **KEY COUNCIL POLICIES:**

The Mayor's Priorities;

- **A transparent effective organisation** – Delivering effective and efficient council services.
- **Social impact** – Using social value to make the most difference in Salford. Making sure council money gets the most 'bang for its buck' for Salford residents.
- **Regeneration** – Salford Central Development Framework.

## **EQUALITY IMPACT ASSESSMENT AND IMPLICATIONS:**

There are no equality impact issues arising and directly as a consequence of this report.

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### **ASSESSMENT OF RISK: Low**

The Council is legally required to pay the balance of compensation to the claimants. If a settlement can be reached during mediation, a settlement agreement will give the parties a legally binding agreement alleviating future risk and cost associated with a hearing at Upper Tribunal Lands Chamber.

All costs associated with the compulsory purchase and compensation in connection with the Salford Central CPO are covered by the Council's development partner ECf under an Indemnity Agreement.

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### **LEGAL IMPLICATIONS Supplied by: Juliet Mbam**

There are no legal implications in respect of the recommendations save that the final determination of the amount of compensation in the event that the parties do not reach agreement following the mediation process will be for the Lands Chamber to decide following a formal hearing.

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### **FINANCIAL IMPLICATIONS Supplied by: Chris Mee**

As detailed in para 2.8 above, all costs associated with the compulsory purchase and compensation in connection with the Salford Central CPO are funded through the Revolving Acquisition Fund (subject to a cap) and will be repaid to the fund by the Council's development partner ECf, in accordance with the Development Agreement as land is drawn down and sites are developed.

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### **PROCUREMENT IMPLICATIONS Supplied by:**

There are no procurement implications arising from the proposal.

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### **HR IMPLICATIONS Supplied by:**

There are no HR implications arising from this proposal.

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**CLIMATE CHANGE IMPLICATIONS Supplied by:**

The are no climate change implications.

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**OTHER DIRECTORATES CONSULTED:**

No other Directorates have been consulted.

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**CONTACT OFFICER:** Sarah Malone      **TEL NO:** 0161 779 6073

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**WARDS TO WHICH REPORT RELATES:** Ordsall



**PUBLIC INTEREST TEST – CHECKLIST**  
**Schedule 12A Local Government Act 1972**

**Name of Report:**

**Committee: Property/Regen Briefing  
16 July 2020**

1,2,15,16,17,18 Ralli Courts, Stanley  
Street, Salford M3

**City Mayor**

**Category of exemption applied: .....3.....**

**Public Interest Test Questionnaire**

This is not a definitive list. However, it does provide a series of questions that you should ask yourself when recommending confidentiality.

FACTORS WHICH SUPPORT DISCLOSING INFORMATION	
<b>Will disclosure help people to understand and participate in public debate about current issues?</b>	No
Will disclosure help people to understand why the Council has taken certain decisions?	No
<b>Will disclosure give the public information about the personal probity (or otherwise) of elected members or council staff?</b>	No
Will disclosure encourage greater competition and better value for money for council taxpayers?	No
<b>Will disclosure allow individuals and companies to understand decisions made by the Council that have affected their lives?</b>	No
Is the information about factors that affect public health and public safety? (NB you should be careful if considering the release of information which might adversely affect public health and safety)	No
<b>Will disclosure reveal incompetent, illegal or unethical decision-making or examples of malpractice?</b>	No
Will disclosure reveal that such maladministration has not in fact occurred?	No

<b>FACTORS WHICH SUPPORT WITHHOLDING INFORMATION</b>	
<b>Will disclosure damage the Council's interests without giving the public any useful information?</b>	Yes
Will disclosure damage another organisation or person's interests, without giving the public any useful information?	Yes
<b>Will disclosure give an unfair, prejudicial or inaccurate view of a situation?</b>	No
Will disclosure prevent the effective delivery of services without giving the public useful information?	No
<b>Will disclosure put the health and safety of any group or individuals at risk?</b>	No
Is there a clear and coherent reason why the community in general would benefit more from information being withheld?	No
<b>Justification of decision</b>	
The report details the level of compensation which remains in dispute and which could be subject to a future reference to the Upper Tribunal Lands Chamber. The report sets out the best course of action available to the Council to secure a legally binding position in the event that agreement can be reached between the parties during mediation for which the parties have agreed to undertake.	

Name and Title: Sarah Malone, Senior Development Surveyor

Date: 8 July 2020

# Executive Decision

## Urgent Executive Decision

Request to a Scrutiny Chair that an Urgent Executive Decision be made without being published in the Forward Plan, and / or that the Executive Decision be exempt from Call-In for Scrutiny

Decision maker	The City Mayor	
Nature of the decision	1, 2,15,16,17 and 18 Ralli Courts, Stanley Street, Ordsall	
Non-confidential reports Can be made available to the public	Public briefing report submitted to Property/Regeneration Briefing on 16 July 2020	
Confidential reports Containing confidential or exempt information	Report of the Director of Place to the Property/Regeneration Briefing on 16 July 2020.	
Reason for confidentiality	Schedule 12A of Local Government Act 1972 Paragraph 3 Information relating to the financial or business affairs of any particular person (including the Authority holding that information	
Intended date of decision	Thursday, 16 July 2020	
Officer contact details For any further information	Name: Tel: Email:	Sarah Malone - Senior Development Surveyor 0161 779 6073 <a href="mailto:sarah.malone@salford.gov.uk">sarah.malone@salford.gov.uk</a>
Has the decision been published in a Forward Plan?	Yes	
Reasons for special urgency such that this cannot be published in a Forward Plan	n/a	
Is exemption from call-in for scrutiny needed?	Yes	
Advice as to how any delay will seriously prejudice the legal or financial position of the Council	Negotiations are at an advanced stage and the waiving of call-in is necessary so as to enable their potential conclusion at a mediation session on the 23 <sup>rd</sup> July.	
Scrutiny Chair Who has agreed the decision is reasonable and urgent	Name:	Councillor David Jolley Chair, Overview and Scrutiny Board
	Signed:	

	Date:	
Request prepared by:	Mike Relph Senior Democratic Services Officer	

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