EXPLANATORY MEMORANDUM TO

THE TOWN AND COUNTRY PLANNING (BLIGHT PROVISIONS) (ENGLAND) ORDER 2017

2017 No. 472

1. Introduction

1.1 This explanatory memorandum has been prepared by the Department for Communities and Local Government and is laid before Parliament by Command of Her Majesty.

2. Purpose of the instrument

2.1 Owner-occupiers of business premises are able to serve blight notices provided the annual rateable value of their premises does not exceed a prescribed limit. This Order raises the current limit of £34,800 to £36,000 in England excluding Greater London and £44,200 in Greater London to take account of the rating revaluation for 2017.

2.2 The Town and Country Planning (Blight Provisions) (England) Order 2010 (SI 2010/498), which sets the limit of £34,800, is revoked.

3. Matters of special interest to Parliament

Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None.

Other matters of interest to the House of Commons

3.2 As this instrument is subject to the negative procedure and has not been prayed against, consideration as to whether there are other matters of interest to the House of Commons does not arise at this stage.

4. Legislative Context

4.1 Sections 149 to 171 of the Town and Country Planning Act 1990 ("the Act") relate to land which is blighted by planning proposals of public authorities. They provide a regime that protects certain interests in such land, by providing a mechanism by which the public authority may be required to purchase the interest in the blighted land.

4.2 One interest that may qualify for protection is that of an owner-occupier of premises, the annual (rateable) value of which does not exceed an amount prescribed by the Secretary of State under section 149(3)(a)of the Act.

4.3 The Town and Country Planning (Blight Provisions) (England) Order 2010 (SI 2010/498) (the 2010 Order) prescribes a limit of £34,800. The effect of the rating revaluation for 2017 would be that fewer owner-occupiers of business premises would be protected unless the limit was increased.

4.4 This instrument, made under section 149(3)(a), therefore increases the prescribed limit.

4.5 This instrument also revokes the 2010 Order. Section 333(7) of the Act provides that an Order made under section 149(3)(a) of the Act can be varied or revoked by a subsequent Order.

5. Extent and Territorial Application

5.1 This instrument extends to England and Wales.

5.2 This instrument applies to England.

6. European Convention on Human Rights

6.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

What is being done and why

7.1 Blight notices can currently be served by owner-occupiers of business premises which have a rateable value of up to £34,800. Where such an owner cannot sell their premises except for a significantly reduced amount, because the premises are under a direct threat of compulsory purchase or certain other development proposals, the owner may serve a blight notice on the public body responsible for the scheme. If such a notice is confirmed, the owner can require the public body to acquire the premises early.

7.2 The current rateable value limit on the eligibility to serve blight notices in respect of business premises was set at £34,800 when the last revaluation took effect on 1 April 2010.

7.3 Following a public consultation in March 2016, (*Consultation on further reform of the compulsory purchase system*), the Government decided that a higher rateable value limit should be set for properties in Greater London than for those elsewhere in England. This is to reflect the higher rateable values for properties in Greater London than the rest of England. The policy intention is that the same types of properties which are eligible to serve blight notices in the rest of England are also able to do so in Greater London.

7.4 The rating revaluation which takes effect on 1 April 2017 increases the rateable values of properties in England excluding Greater London by an average of 4.1%. The threshold for England excluding Greater London therefore needs to be raised to £36,000 to remain in the same relative position..

7.5 In setting the new rateable value limit for properties in Greater London, we have kept the total property numbers within the limit in Greater London and the rest of England at the same ratio as they were in 2010. This results in a rateable value limit for Greater London of £44,200.

7.6 This Order revokes SI 2010/498 which set the limit of £34,800.

8. Consultation outcome

8.1 A public consultation took place in March 2016 (*Consultation on further reform of the compulsory purchase system*) on the principle of setting a higher rateable value limit in Greater London. There was strong support for the proposal and in its response

(*Consultation on further reform of the compulsory purchase system: Government response to consultation*) the Government confirmed that it would take the proposal forward.

9. Guidance

9.1 Notification of the change will be sent to key stakeholders including local authorities and professional bodies.

10. Impact

10.1 There is no impact on business, charities or voluntary bodies.

10.2 There is no impact on the public sector.

10.3 An Impact Assessment has not been prepared for this instrument as it puts into effect an up-rating in line with the business rates revaluation which comes into effect on 1 April 2017.

11. Regulating small business

11.1 The legislation does not apply to activities that are undertaken by small businesses.

12. Monitoring & review

12.1 The rateable value limit will be reviewed when the next rating revaluation takes place.

13. Contact

13.1 Theresa Donohue at the Department for Communities and Local Government Telephone: 030344 41719 or email: theresa.donohue@communities.gsi.gov.uk can answer any queries regarding the instrument.