

MAY 2005

**OLYMPIC AND PARALYMPIC GAMES
BUSINESS RELOCATION**

CHARTER

LONDON DEVELOPMENT AGENCY

**Supported by
London Borough of Newham**

**This document has been created to provide an explanation of the
process employed by the London Development Agency to assist
with the relocation and compensation of businesses,
affected by the Olympic Bid or bid legacy plans**

The London Development Agency has obtained planning permission to develop facilities within the Lower Lea Valley to enable London to host the 2012 Olympic and Paralympic Games. If required to develop these facilities, the LDA will have to relocate those businesses that currently operate from the area affected. This Charter is intended to ensure that the LDA has a clearly articulated process in place to deal with these businesses and to ensure that it is implemented in a consistent and fair manner.

THE RELOCATION PROCESS

1. The London Development Agency (LDA) will:
 - a) work together in a spirit of co-operation with affected businesses within the Olympic zone to seek to reach agreement with every business through negotiation to enable them to successfully relocate, if they wish to do so.
 - b) provide every business with a nominated contact at the LDA who will be responsible for all aspects of their relationship with the LDA to ensure that, as far as possible, a continued constructive dialogue can be maintained that acknowledges the needs, aspirations and limitations of each party.
 - c) provide every business with a written fee undertaking to enable them to obtain professional legal and surveying advice to ensure that they are aware of the implications of the business relocation process. This will be provided as soon as possible following written confirmation from each business of the advisors they intend to appoint and then reaching agreement with the LDA on the proposed rates.
 - d) put in place an advice line operated by the Royal Institution of Chartered Surveyors to enable businesses to receive free and confidential advice in respect of the relocation process.
 - e) ensure that every business (including those relocating by Agreement) receives any compensation it would be entitled to in respect of their relocation as though their property had been compulsorily acquired (the Compulsory Purchase Compensation Code). A document explaining the relevant provisions has been provided to every business.
 - f) ensure as soon as possible that every affected business is aware:
 - that their property is required for the Olympic Games;
 - whether it is also required for the Lower Lea Valley Regeneration Strategy in the event that the Games are not awarded to London;
 - whether or not they will be eligible for compensation;
 - that there is a fee undertaking available from the LDA for them to receive professional advice; and
 - of the details for their nominated contact at the LDA.
 - g) ensure that every business has the opportunity to negotiate on an alternative relocation site under the LDA's control, but recognising that the LDA has to achieve best value in its disposal of such premises.
 - h) provide every business with a period of at least two years following the decision to award the Games to London in which to relocate and to begin the relocation process immediately where a businesses can demonstrate that they reasonably require a longer period to relocate in advance of the decision.
 - i) provide every business with access to specific business support and advice from the point that they identify a relocation site, during their relocation and for a minimum period of six months after having completed their relocation.

- j) identify all relevant business support measures and funding for which relocating businesses may be eligible and ensure that this information is provided to each business. These business support measures will include investigating opportunities to lever in grants, for example Selective Finance for Investment in England (SFI) which is administered by the LDA. There are a range of other business support measures that will be considered in meeting identified needs of relocating businesses and these will include assistance with business planning, accessing finance, reviewing marketing, supply chain development, internal processes, training and development and staff relocation and recruitment. The key objective is to identify all relevant sources of assistance that meet identified business needs so that companies can prepare an action plan to ensure successful relocation and business continuity.
- k) ensure that the LDA's approach to relocation and land assembly represents current best practice.

COMPENSATION

- 2. The LDA will ensure that every business with a compensatable interest will:
 - a) receive an offer from the LDA to acquire their property by agreement at its Market Value, as defined by the Compulsory Purchase Compensation Code, disregarding any effect on value (if any) due to the LDA's Olympic proposals.
 - b) receive fair compensation from the LDA in respect of those costs that they incur in relocating to new premises, including loss of profits, if and to the extent that such costs would be recoverable under the Compulsory Purchase Code.
 - c) where it is agreed that the most cost effective alternative premises are, on a like for like basis, of a greater cost to the business but without delivering greater value to the business than the interest currently occupied and the costs associated with this cannot be adequately compensated in respect of the compensation to be received in paragraph 2b above, then, except to the extent that the extra cost represents betterment as understood under the compulsory purchase code, the LDA will ensure that a business so affected will be compensated for the extra cost utilising the most appropriate mechanism to be agreed on a case by case basis, examples including: equity share, discounted rents, delayed land receipts or any other mechanisms that are appropriate in that individual case, and to ensure the business is no worse off financially.
 - d) in the event that the LDA is unable to agree either Market Value or relocation compensation with any business within three months, both parties will agree to have it determined at an appropriate independent forum and agree to abide by that determination.

DEALINGS WITH THE LDA

- 3. In its dealings with affected businesses and their advisors, the LDA and their consultants will:
 - a) provide a clear and timely response to all correspondence properly received from affected businesses and their advisors. The LDA will respond to all written correspondence as soon as is possible and in any event within ten working days.
 - b) provide all businesses with a financial offer for their interest within ten working days of having been provided with an opportunity to inspect the property and sufficient supporting information to provide an accurate offer.

- c) provide businesses with specific relocation proposals within ten working days of having received a business' full relocation requirements, and where the business confirms that an available LDA site meets those requirements, the LDA will provide them with access to inspect that site within a further ten working days.
- d) ensure that the confidential details of individual negotiations with businesses remain confidential.

COMPLAINTS PROCEDURE

- 4. If the LDA fails to meet any of its commitments set out in this document, the LDA will ensure that businesses have the ability to complain, as follows:
 - a) in the first instance, businesses should inform their nominated contact at the LDA of the specific nature of their complaint. It is hoped that the majority of complaints can be resolved in this manner.
 - b) if it is not appropriate to contact the nominated member of staff or a business is not happy with the response it receives, then a formal written complaint should be submitted to Tony Winterbottom as the Director at the LDA responsible for the process.
 - c) any complaint will be acknowledged within five working days and responded to as soon as possible and in any event within fifteen working days.
 - d) if a business is still not satisfied with the response it receives, it may refer its concern to Manny Lewis, Chief Executive of the LDA in writing.
 - e) any complaints will be monitored and analysed to ensure that the LDA maintains the desired standard of service delivery in respect of the business relocation process.