

Market Issues

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#CPA2018



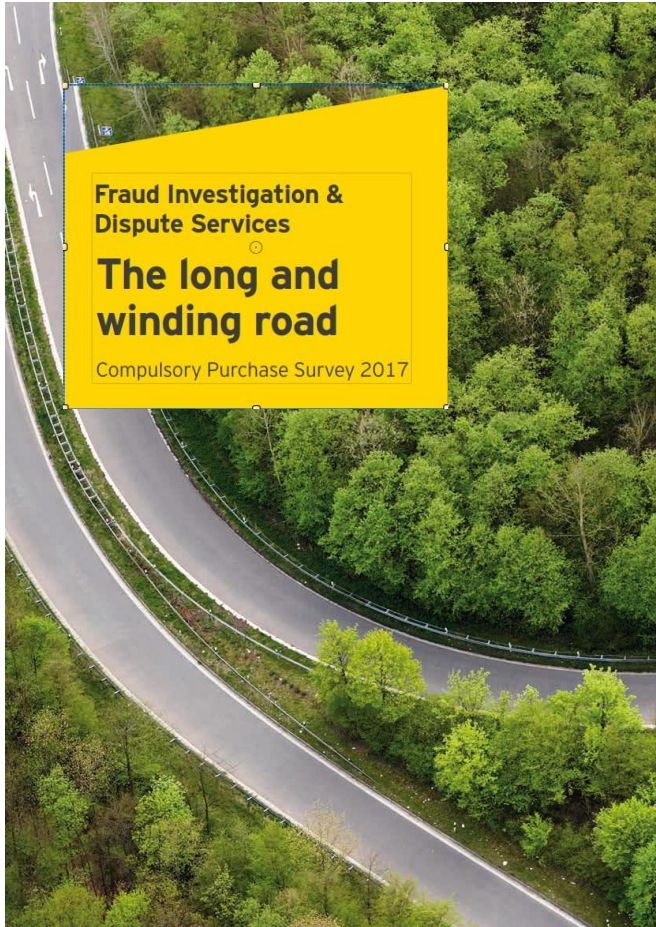
Market issues

Compulsory Purchase Survey 2017

Hannah Griffin and Jack Clitheroe

11 July 2018

The long and winding road – EY Compulsory Purchase Survey 2017



Alternative Dispute Resolution (ADR)

The issue

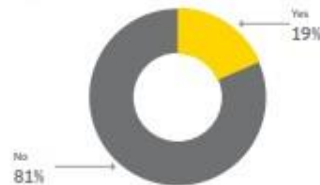
We have identified that there is significant challenge ahead in making the Compulsory Purchase process 'cleaner, fairer and faster.' One of the key contributors in this could be an increased use of ADR and in this survey we sought to identify any trends in the use of ADR in the last 12 months.

Our findings

Similarly to last year, our survey suggests that ADR is not a commonly used mechanism with only 19% of respondents having used ADR in the last 12 months (in comparison with 15% last year). Our survey suggests that mediation is the most commonly used form of ADR. Other methods of ADR, such as early neutral evaluation, arbitration and using a joint independent expert are used to a lesser extent.

Our survey suggests that most cases have settled before a reference was made, and this percentage has increased since last year (57% in comparison to 42% in 2016). Results suggest a higher percentage of cases have settled between a reference being made and the hearing, increasing from 17% in 2016 to 21% in 2017.

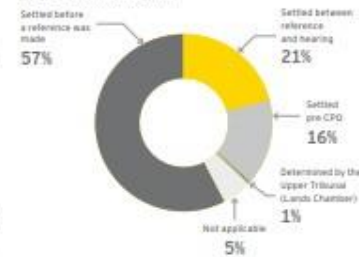
Figure 10: Use of ADR



In the last year have you used alternative dispute resolution in a CPO case?

Base: 54

Figure 11: Settlement timing



What percentage of your cases: settled before a reference was made, settled between reference and hearing, settled pro CPO, were determined at Upper Tribunal (Lands Chamber), Not applicable?

Base: 35

The challenge

Our findings suggests that although there appears to be a slight increase in the use of ADR, there is more to be done in utilising these methods in CPO disputes to make the process faster and reduce disruption for claimants and acquiring authorities.

With no changes to ADR in recent legislative reforms, increasing awareness and education of people in the profession of the benefits of ADR is key to encourage its use.

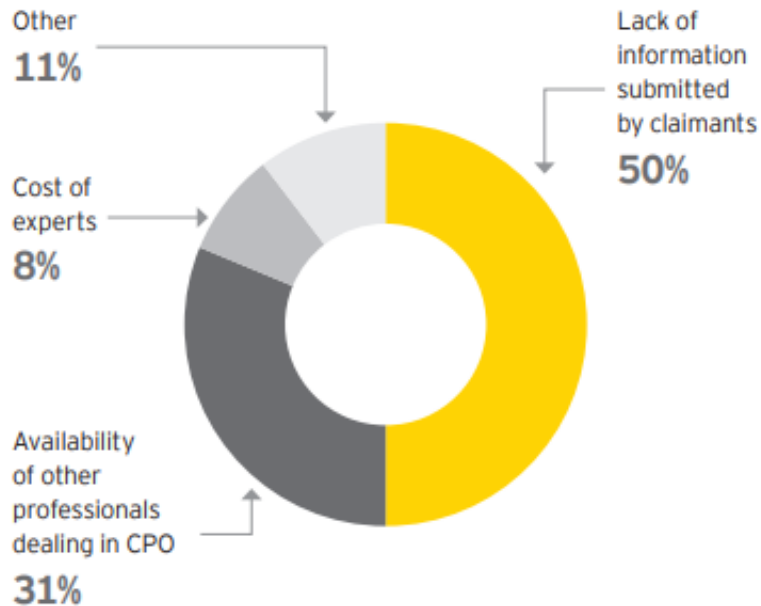
Sara Fowler, Partner, EY CPO Team

"As I said in last year's survey, I think that the use of ADR should be considered in all CPO cases because it can save costs, but also because it can expedite the CPO process."

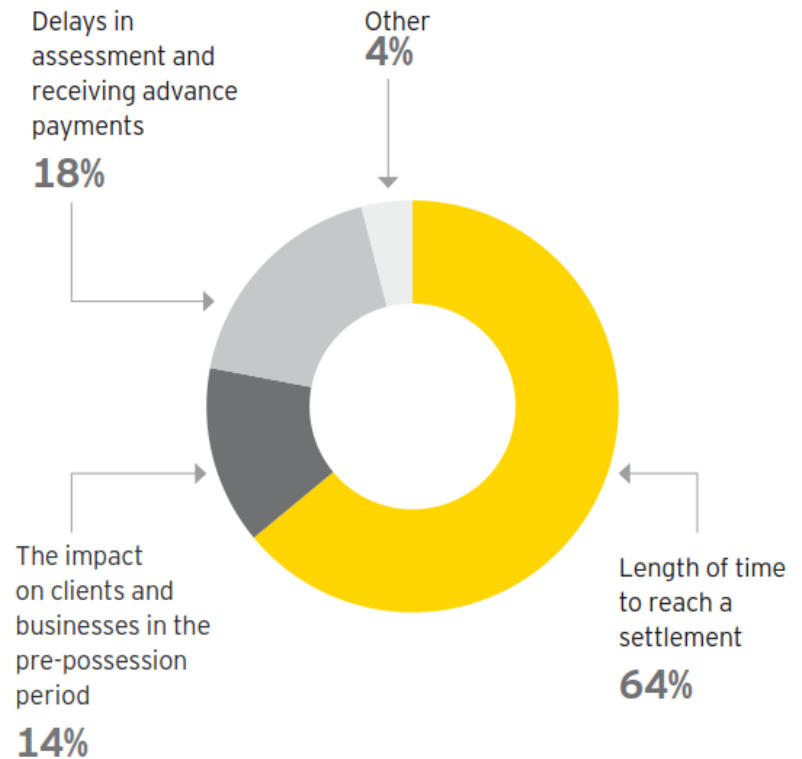
The slight increase in ADR being used among our respondents is encouraging but there is clearly some progress to be made. This will go some way to reducing the challenges highlighted in this survey by reducing the disruption caused to businesses and the costs incurred by both claimants and acquiring authorities."

Key challenges

Q What is the biggest challenge you experience when you are acting for acquiring authorities/claimants?



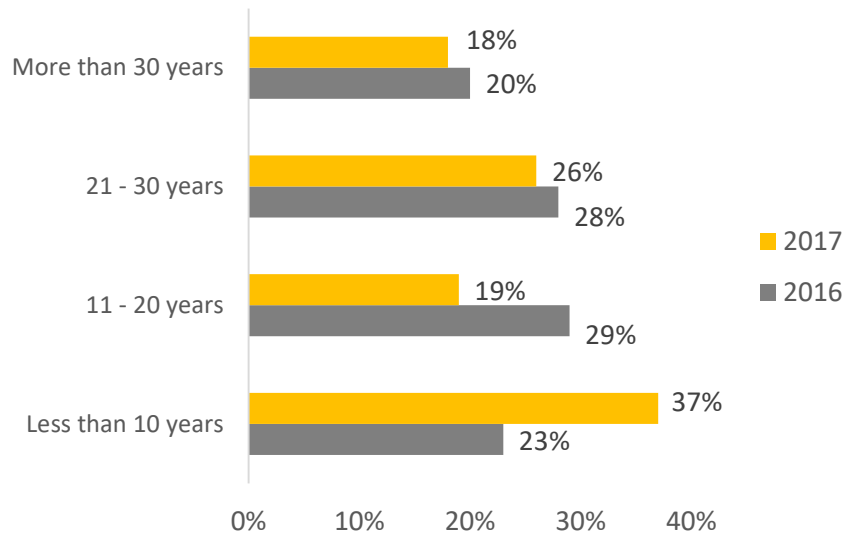
Challenges for acquiring authorities



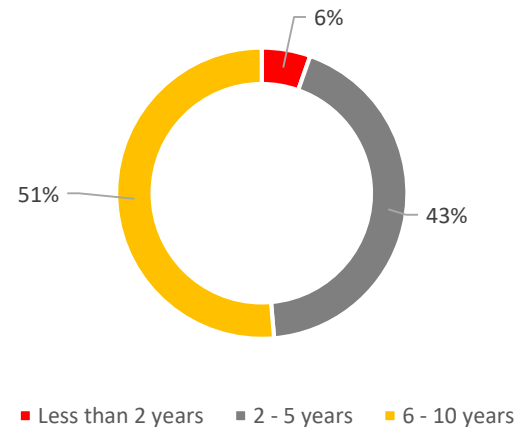
Challenges for claimants

The skills shortage

Q How long have you acted in the CPO field?



Less than 10 years experience 2017



Jonathan Stott, Managing Director, Gateley Hamer

“Across the board, now more than ever, the professionals that are working in compulsory purchase need to pull together to attract new entrants, not least through raising awareness of the opportunities that exist in what remains a particularly interesting and diverse field, and one which offers a long-term and highly rewarding career.”



Thank you

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