

Section F: Land

F1: Regeneration

Partnership – poor communication

1. Mr Star complained that a council misled him about a proposed partnership between his company and the council to provide a community centre on the company's land, and delayed or failed to make proper responses to his representations about the matter. He said that, as a result, his company suffered financial loss and additional expense.

Regeneration

2. Mr Star's company owned industrial premises. The premises fell vacant following the relocation of the business which had leased the premises. Mr Star's company decided to re-let the premises and recognised that they were in need of improvement. Mr Star approached the council to enquire if funds might be available for that purpose.
3. The council was anxious to regenerate some of the industrial areas within the district and had secured government funds for regeneration. Mr Star spoke to the council officer who was chair of the task group in that locality. The purpose of the task group was to facilitate and support local individuals and bodies in putting together projects for consideration for the regeneration funds. Mr Star understood from the discussion that the council thought the site offered potential for use as a community centre, and that such a scheme would meet the criteria for financing from the regeneration fund.
4. Over a period of more than a year, there were a number of discussions between Mr Star and the council. A member of the task group, who was a qualified engineer, visited the premises. His view was that the buildings were not economically viable and should be demolished. There was no record of

the site visit on the council's files and the outcome of the visit was notified to Mr Star orally but not in writing.

5. Throughout this period there was a fundamental misunderstanding. The council believed that its officers had made it clear that it was for Mr Star to find partners and make a proposal about how the site should be developed. Mr Star on the other hand said that this was never made clear and his belief was that it was the council's responsibility to draw up proposals for the future use of the site.

Communication

6. There was nothing in writing to support the council's contention that it had made the position clear to Mr Star. Officers had made no written record of the conversations with him.
7. Some 10 days after his first approach to the council, Mr Star sent a letter to the council making it clear that he expected the council to play a part in deciding the future of the site. He made arrangements for the council to inspect the buildings but the negative findings from the survey were never communicated to him in writing.
8. In two subsequent letters he made it entirely clear that he expected the council to put proposals to him and not the other way round. Those letters received no reply. The Ombudsman said that those letters gave the council the perfect opportunity to set the record straight and it was inexcusable that they went unanswered. These elementary failures in communication were maladministration by the council.
9. It was only after Mr Star eventually complained to his MP that the true position was made clear to him, and

he learned in writing from the council that it was waiting for him to submit proposals. The Ombudsman could see no reason why that should not have been clarified at least a year earlier.

10. The Ombudsman commented:

“Partnerships between councils and other parties, including private developers, have become a favoured vehicle for regeneration initiatives and are frequently a prerequisite for obtaining government funds. Bidding for these funds can often be a complicated business. Inevitably partners look to the council to know most about the bidding arrangements and to advise how bids should best be put together, even where the bid itself might need to come from outside the council. In these circumstances, it seems to me that clear communication, letting everyone know where they stand and what is expected of them, is an essential requirement of any partnership arrangement.”

Outcome

11. The Ombudsman considered that all the business losses claimed by Mr Star could not be laid at the door of the council. There were many imponderables which might have obstructed his plans for leasing the premises to another industrial user or bringing forward another development proposal. But the council's maladministration caused Mr Star frustration, disappointment and uncertainty.
12. The Ombudsman recommended the council to make an *ex gratia* payment to Mr Star of £1,250.

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