

Rushey Mead, Belgrave, Castle, Abbey, Spinney Hills.

CABINET

3rd Nov 2003

**THE EMPTY HOMES STRATEGY
COMPULSORY PURCHASE OF VARIOUS HOUSES 2003 (5)**

Report from the Corporate Director of Housing

1. Purpose and Summary

This report proposes that Compulsory Purchase Orders are sought under the City Council's Empty Homes Strategy on five long term privately owned vacant properties in areas of priority housing need as agreed at Scrutiny 3rd April 2003.

Financial and confidential information relating to the five properties is contained in Appendix C of the report, which is marked NOT FOR PUBLICATION. Members of the Cabinet are reminded that this material must not be disclosed or discussed in public session.

The Empty Homes Strategy aims to bring vacant residential properties back into use and helps to prevent areas becoming run down and promotes neighbourhood sustainability.

Action is targetted towards property vacant for more than five years and which are a problem to the street or neighbouring houses (e.g. boarded up and vandalised/eyesore).

2. Recommendations

Cabinet are recommended : -

- 2.1 To make the following land and dwellings, as outlined in Appendix C attached , the subject of individual Compulsory Purchase Orders (CPOs) , in order to secure their improvement, proper management and occupation as residential dwellings:

- COMPULSORY PURCHASE ORDER OF 34 Parker Drive, Leicester made under Sections 9 and 17 of the Housing Act 1985 and the Acquisition of Land Act 1981
- COMPULSORY PURCHASE ORDER OF 23 Epsom Road, Leicester made under Sections 9 and 17 of the Housing Act 1985 and the Acquisition of Land Act 1981
- COMPULSORY PURCHASE ORDER OF 55 Grasmere Street, Leicester made under Sections 9 and 17 of the Housing Act 1985 and the Acquisition of Land Act 1981
- COMPULSORY PURCHASE ORDER OF 4 Gedding Road, Leicester made under Sections 9 and 17 of the Housing Act 1985 and the Acquisition of Land Act 1981.
- COMPULSORY PURCHASE ORDER OF 11 Hardys Avenue, Leicester made under Sections 9 and 17 of the Housing Act 1985 and the Acquisition of Land Act 1981

2.2 To authorise the necessary capital expenditure from the Empty Homes Strategy line in the agreed Capital Programme.

3. **Policy Background**

The 'Empty Homes Strategy' has been developed since 1995. The City Council's Housing Renewal Sub-Committee approved at its meeting on 21st November 1996 that Compulsory Purchase Order action to be taken in the public interest on houses which fall into one or more of the following categories:

- a) Houses which are a problem to the street or neighbouring houses (e.g. boarded up and vandalised/eyesore).
- b) Houses on Council estates.
- c) Houses in conservation areas.
- d) Houses vacant for more than 5 years.

Please see appendix a for details of how the empty homes strategy works and appendix b which sets out in brief the outline of the CPO process.

The action to be taken has links with a number of key corporate and departmental strategies. These are as follows:

- The Performance Plan 2000/2001 (pages 28 and 33)
- The Community Plan – Diversity Action plan
- Leicester's Housing Strategy 2001 – 2006
- Housing Department Aims and Objectives – particularly the following objectives:-

- ❖ to improve the condition of Leicester's housing stock and resolve unfitness in all sectors
- ❖ to reduce the number of empty and under occupied homes in Leicester
- Annual Review of Leicester's Renewal Strategy reported to Housing Scrutiny on 21st August 2003
- Empty Homes Strategy in line with Government Guidance on empty property 'Unlocking the Potential' published May 2003
- Crime & Disorder Strategy

4. Financial Information (agreed by Ben Eruchie ext 7427)

- 4.1 Acquisitions of properties under CPO powers are charged against the Capital Programme, and the reusable parts of the capital receipt from sales are credited back in to the account (ie to maintain a rolling programme of funds available for CPO activities). The cost of acquiring the five properties included in this report is £480,000 although it is anticipated that this cost will be recouped as the properties are sold on. A sum of £100,000 has been included in the 2003/4 Housing Capital Programme to assist in meeting any shortfall that may occur because of timing differences.
- 4.2 Following the Compulsory Purchase of the property, the Leicester City Council intends to enter into negotiations with a Registered Social Landlords for social letting under a 'back to back' arrangement or sell to a private purchaser for refurbishment and occupation of the property.

5. Legal Implications

Information provided by John McIvor ext 7035

- 5.1 Different powers are to be used dependant on the status of the area in which the property is situated.
- Residential properties situated in a statutory Renewal Area are subject to Compulsory Purchase Orders made under Section 93 of the Local Government and Housing Act 1989, and the Acquisition of Land Act 1981.
 - All other properties are subject to Compulsory Purchase Orders made under Sections 9 and 17 of the Housing Act 1985, and the Acquisition of Land Act 1981.
 - Plans of the CPO properties to be attached to this report

Author of this report are: -

Varsha Saundh, Development Officer, Housing Development Team ext: 6971.

DECISION STATUS

Key Decision	No
Reason	N/A
Appeared in Forward Plan	No
Executive or Council Decision	Executive (Cabinet)



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SUPPORTING INFORMATION

5. Report

All five properties detailed in Appendices C1-C5 fall under one or more categories as defined in Section 3 and therefore meet the criteria for CPO action, together with supporting key priorities identified in the HIP under 'Sustaining Urban Renewal' and 'Promoting Affordable Housing'.

- Sustaining Urban Renewal – the renewal strategy will take action in declared areas and seek complimentary finance from ADP, SRB and other strategies like Leicester's Empty Homes Strategy in order to renovate properties.
- Promoting Affordable Housing – the Empty Homes Strategy will be a key element to encourage the use of vacant properties for housing provision and should be supported by resources available within the Council and by associated policies governing ADP resources.

The details of the individual properties and grounds for action are set out in appendices C1-C5 attached to this report.

A separate report to Housing Scrutiny on 3rd April 2003 has provided a summary of action on the Empty Homes Strategy taken over the previous 12 months. Due to Capital Revenue resource limits, it was agreed that the immediate focus of action under empty homes would be concentrated on 'problematic vacants' i.e. persistent long-term vacant properties. Other vacant properties will also be targetted in areas of high demand for social rented accommodation.

6. OTHER IMPLICATIONS

OTHER IMPLICATIONS	YES/ NO	PARAGRAPH & REFERENCES WITHIN SUPPORTING INFORMATION
Policy implications	No	
Equal Opportunity Implications	No	
Elderly People/People on low incomes	No	
Financial, Legal and Implications	Yes	Section four of the report
Sustainable and environmental implications	Yes	Throughout the report
Crime and Disorder implications	Yes	Throughout the report

7. **HOUSING DEPARTMENT AIMS AND OBJECTIVES**

The aim of the Housing Department is 'A decent home within the reach of every citizen of Leicester'.

A key objective is:

'To reduce the number of empty and under-occupied homes in Leicester'.

This subdivides as: -

- Assessing the number of empty and under-occupied homes and, in the private sector, identify the owners.
- Encourage and enable owners to bring private sector empty and under-occupied homes back into full use, through a variety of schemes.

Another key objective is:

'To improve the condition of Leicester's housing stock and resolve unfitness in all sectors'.

Subdivides as: -

- Improve the condition of private sector housing in the City by enabling owners to take action.
- Encourage and enable owners to continue to maintain the private sector housing stock.

8. **DETAILS OF CONSULTATION FOR THIS REPORT**

- ❖ Legal Services Division and Property Management Section from the Department of Resources, Access and Diversity,
- ❖ Housing Resources,
- ❖ Environment, Regeneration & Development Department

9. **LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

Background Papers:

Property files held in Housing Development Team.

A. What happens to referrals made to Leicester City Council's empty property database

A.1 Any dwelling in the City that has been empty for at least six months and is not held by the Housing Revenue Account can be registered on the Development Team's Database.

A.2 Standard questions asked of the person referring the empty property to enable officers to determine how long the property has been vacant and whether the dwelling is.

- located within a Renewal or Urban Management Area (all those that are not, are classed as 'City-wide');
- of a type that requires either a significant or minimum investment in order to bring it back into use and has been vacant for less than 5 years;
- located within an area currently experiencing low demand for additional social housing;
- of a property type currently not required to meet priority, social housing needs.
- of a type that requires either a significant or minimum investment in order to bring it back into use and has been vacant for more than 5 years;

A3 Depending on the above assessment of the referred property, the following actions may be taken on properties that require either a significant or minimum investment in order to bring it back into use and have been vacant for more than 5 years;

i) Mail-shots to owners of vacant properties

Mail-shots to empty property owners maintains contact with the owner and provides advice and encouragement for owners to come to an informed decision about the future improvement and occupation of the property i.e. whether to sell or let. If the response is unsatisfactory then statutory action, including compulsory purchase, will be considered.

ii) Match property to funding available from Leicester's ADP

iii) Statutory Action in the form of Compulsory Purchase Orders and Enforced Sale

APPENDIX B

A brief outline of the Compulsory Purchase Order Procedure as at 10th February 2003

Criteria for CPO action	
Identify property falling within the CPO policy:-	
<ul style="list-style-type: none">• Property vacant and unimproved for over 5 years located in area of priority housing need and where no attempt has been made by the owner to improve the property.• CPO action may also be considered on properties that have been vacant less than 5 years. If they are causing a blight to neighbouring properties.	
CPO Procedure over a period of 20 months approximately	
Stage 1:	1st warning letter. This is sent were the owner has failed to respond to two previous letters that outlines options available to the empty property owner.
Stage 2:	2 nd warning letter advising the owner that officers from the Housing - Renewal Services and Property Services will be contacting owner to arrange for an inspection to draw up a CPO improvement cost schedule and valuation of the vacant property.
Stage 3:	Audit file to ensure all relevant documents on file in preparation of reports i.e. CPO Cost Schedule, property valuation, maps and ownership details.
Stage 4:	Prepare report for appropriate Cabinet.
Stage 5:	Cabinet approves CPO action. Letter to owner advising of Council's decision and of options available:- i.e. selling the property improving it awaiting outcome of the CPO action
Stage 6:	Development Officer prepares case for CPO and pass on to Legal Services to ensure the CPO is formalised.
Stage 7:	Making the CPO order and Objection period of 28 days-
Stage 8:	Legal Services agree date for public inquiry with Office of the Deputy Prime Minister (ODPM). Case is reviewed to justify withdrawal of CPO prior to Inquiry.
Stage 9:	Prepare case for public inquiry in consultation with Legal Services.
Stage 10:	Public inquiry held.
Stage 11:	Await Secretary of State decision
Stage 12:	Case reviewed by Housing Renewal & Options Service Director to either hold CPO in abeyance or to proceed with enforcement i.e. serve notice to treat and notice of entry by taking possession of the property

