

Leicester
City Council

**WARDS AFFECTED:
Freeman & Fosse**

Report to Cabinet:

5th April 2004

**THE EMPTY HOMES STRATEGY
COMPULSORY PURCHASE OF VARIOUS HOUSES 2004 (Nos9)**

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 three long term privately owned vacant properties in areas of priority housing need as agreed at Scrutiny on 3rd April 2003.

Financial and confidential information relating to the three properties is contained in the supplementary report on the 'B' agenda.

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 was previously targeted towards properties vacant for more than five years and which are a problem to the street or neighbouring houses (e.g. boarded up and vandalised/eyesore). On 19th January 2004 Cabinet approved additional resources to increase the impact of the Empty Homes strategy and to target all properties vacant for more than 18months. A dedicated Empty Homes Team is now in place.

2. Recommendations

Cabinet are recommended for approval: -

- 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 330 Aylestone Road, Leicester made under Sections 9 and 17 of the Housing Act 1985 and the Acquisition of Land Act 1981.
- COMPULSORY PURCHASE ORDER OF 70 Bosworth Street, Leicester made under Sections 9 and 17 of the Housing Act 1985 and the Acquisition of Land Act 1981.
- COMPULSORY PURCHASE ORDER of 62 Bosworth Street, 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 Housing Departments 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 empty 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.

On 19th January 2004 Cabinet approved additional resources to increase the impact of the empty Homes strategy and to target all properties vacant for more than 18months. A dedicated Empty Homes Team began work in April 2004.

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)
- Leicester City Council Corporate Plan 2003/2006 – Item G2
- 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 (i.e. to maintain a rolling programme of funds available for CPO activities). The cost of acquiring the four properties included in this report is £242,000 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 costs incurred in CPO actions. A sum of 600,000 has been allocated within the 2004/05 Housing Capital Programme.
- 4.2 Following the Compulsory Purchase of a property, Leicester City Council intends to enter into negotiations with a Registered Social Landlord for social letting under a 'back to back' arrangement i.e. simultaneous acquisition and sale of vacant property to a Registered Social Landlord or on the open market for refurbishment and occupation.

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
 - Following Cabinet approval Housing Development Officer prepares case

for CPO and pass on to Legal Services to ensure the CPO is formalised. The Council is required to advertise the making of the Orders and to provide for a period in which objections can be made to the ODPM (presently not less than 21 days).

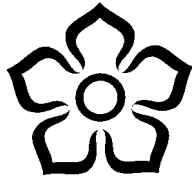
- The Orders are then sent to the relevant Government Office (presently the Office of the Deputy Prime Minister) for confirmation.
 - Following the expiry of the objection period the ODPM will consider objections and if it considers it necessary will order that a public local inquiry be held prior to the confirmation of the Orders. The question of whether or not an inquiry is to be held is a matter for the discretion of the ODPM.

Author of this report -

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

DECISION STATUS

Key Decision	Yes
Reason	Significant effect on two or more wards
Appeared in Forward Plan	Yes
Executive or Council Decision	Executive (Cabinet)



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SUPPORTING INFORMATION

6. Report

All three properties detailed in Appendices C1-C3 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 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 it is hoped through associated policies governing available resources to Registered Social Landlords (RSL's).

The details of the individual properties and grounds for action are set out in appendices C1-C3 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.

7. 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

8. 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.

9. 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

10. LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

Property files held in Housing Development Team.

Author of this report -

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

APPENDIX A

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 18months;

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 18months;

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 Source additional funding to compliment any activity undertaken with RSL's

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

<u>Criteria for CPO action</u>	
Identify property falling within the CPO policy:-	
<ul style="list-style-type: none"> • Property vacant and unimproved for over 18months 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 18months. If they are causing a blight to neighbouring properties. 	
<u>CPO Procedure over a period of 20 months approximately</u>	
Stage 1:	1 st 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:	Following the making of the Orders these are then sent to the relevant Government Office (presently the Office of the Deputy Prime Minister) for confirmation. The Council is required to advertise the making of the Orders and to provide for a period in which objections can be made to the ODPM (presently not less than 21 days).
Stage 8:	Following the expiry of the objections period the ODPM will consider objections and if it considers it necessary will order that a public local inquiry be held prior to the confirmation of the Orders. The question of whether or not an inquiry is to be held is a matter for the discretion of the ODPM.
Stage 9:	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 10:	Prepare case for public inquiry in consultation with Legal Services.
Stage 11:	Public inquiry held.
Stage 12:	Following any inquiry, the inspector's report is prepared for consideration by the Minister, who will either confirm or reject the Orders. Await Secretary of State decision.
Stage 13:	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.

NOT FOR PUBLICATION
