

WARDS AFFECTED

Rusheymead, Castle, Western Park, Braunstone Park/Rowley Fields

Report to Cabinet

12th July 2004

THE EMPTY HOMES STRATEGY COMPULSORY PURCHASE OF VARIOUS HOUSES 2004 (Nos12)

Report from the Corporate Director of Housing

1. <u>Purpose and Summary</u>

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 on 3rd April 2003.

Financial and confidential information relating to the five 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. <u>Recommendations</u>

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 22 Windermere Street, Leicester made under Sections 9 and 17 of the Housing Act 1985 and the Acquisition of Land Act 1981.
- COMPULSORY PURCHASE ORDER OF 33 Wilmington Road, Leicester made under Sections 9 and 17 of the Housing Act 1985 and the Acquisition of Land Act 1981.
- COMPULSORY PURCHASE ORDER of 38 Strathmore Avenue, Leicester made under Sections 9 and 17 of the Housing Act 1985 and the Acquisition of Land Act 1981.
- COMPULSORY PURCHASE ORDER of 35 Oakthorpe Avenue, Leicester made under Sections 9 and 17 of the Housing Act 1985 and the Acquisition of Land Act 1981.
- COMPULSORY PURCHASE ORDER of 20 Hardy's 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 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. <u>Financial Information (agreed by Ben Eruchie ext 7427)</u>
- 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 five properties included in this report is £525,000 although it is anticipated that this cost will be recouped as the properties are sold on. A sum of £600,000 has been allocated within the 2004/05 Housing Capital Programme to assist in meeting costs incurred in CPO actions.
- 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. <u>Legal Implications</u>

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 the Housing Development Officer prepares the case for CPO and passes 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, Empty Homes Team ext: 5560.

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

6. <u>Report</u>

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'.

- <u>Sustaining Urban Renewal</u> 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.
- <u>Promoting Affordable Housing</u> 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-C5 attached to this report.

A separate report to Housing Scrutiny on 17th May 2004 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
Equal Opportunities	no	
Policy	no	
Sustainable and Environmental	yes	Throughout report
Crime and Disorder	yes	Throughout report
Human Rights Act	no	
Elderly/People on Low Income	no	

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 underoccupied 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, Empty Homes Team ext: 5560.

APPENDIX A

A <u>What happens to referrals made to Leicester City Council's empty</u> 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

	Critaria far CDO action	
	Criteria for CPO action	
Identify property falling within	the CPO policy:-	
need and where rCPO action may	and unimproved for over 18months located in area of priority housing no attempt has been made by the owner to improve the property. also be considered on properties that have been vacant less than are causing a blight to neighbouring properties.	
<u>CPO Proc</u>	edure over a period of 20 months approximately	
	er. This is sent were the owner has failed to respond to two previous ines options available to the empty property owner.	
Services and Pro	letter advising the owner that officers from the Housing – Renewal operty Services will be contacting owner to arrange for an inspection to mprovement cost schedule and valuation of the vacant property.	
Stage 3: Audit file to en	sure all relevant documents on file in preparation of reports i.e. CPO property valuation, maps and ownership details.	
	or appropriate Cabinet.	
Stage 5: Cabinet approve		
Letter to owner	advising of Council's decision and of options available:-	
i.e. selling the		
improving		
	outcome of the CPO action	
Stage 6: Development Off the CPO is formalised.	cer prepares case for CPO and pass on to Legal Services to ensure	
(presently the Office of the	e Orders these are then sent to the relevant Government Office Deputy Prime Minister) for confirmation. The Council is required to Orders and to provide for a period in which objections can be made to than 21 days).	
Stage 8: Following the expiry of the ob	jections period the ODPM will consider objections	
o 1, <i>j</i>	/ will order that a public local inquiry be	
	of the Orders. The question of whether or not an inquiry	
	agree date for public inquiry with Office of the Deputy Prime Minister justify withdrawal of CPO prior to Inquiry.	
Stage 10: Prepare case for public inquiry in consultation with Legal Services.		
Stage 11: Public inquiry held		
	spector's report is prepared for consideration by the Minister, who will ders. Await Secretary of State decision.	
Stage 13. Case reviewed by	Housing Renewal & Options Service Director to either hold CPO in enforcement i.e. serve notice to treat and notice of entry by taking	



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