Executive Decision

Compulsory Purchase of: 82 Ocean Road, Leicester, LE5 2ES. (CPO 73)

Under the Empty Homes Strategy

Decision to be taken by: Assistant City Mayor – Education and Housing

Decision to be taken on: 15 December 2021

Lead director/officer: Chris Burgin

Useful information

- Ward(s) affected: Thurncourt
- Report author: Carole Thompson, Team Manager, Empty Homes (Private Sector)
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Report version number: Version 1

1. Summary:

Approval is sought to proceed with making a Compulsory Purchase Order (CPO) on a long-standing empty property.

2. Recommended actions/decision:

- 2.1. The Assistant Mayor for education and Housing authorises the making of a Compulsory Purchase Order made pursuant to Section 17 of the Housing Act 1985 (as amended) and the Acquisition of Land Act 1981, in respect of 82 Ocean Road, Leicester, LE5 2ES and action commenced to enable the improvement and occupation of a long term empty property. The CPO is necessary to secure the sustainable regeneration and improvement to Leicester's housing stock.
- 2.2. The City Barrister & Head of Standards is authorised to prepare and execute all the necessary documentation required throughout the CPO process, including the acquisition of the property by agreement.
- 3. Scrutiny/stakeholder engagement:
 - Members of the public and neighbours do not want to live next to empty properties which quickly fall into disrepair and lowers the value of their properties
 - Empty properties have been raised at ward community meetings
 - There is continual local media interest
 - The Adult Social Care and Housing Scrutiny Commission approved additional resources to ensure more work is carried out under the Empty Homes strategy, including the increased use of compulsory purchase action.

4. Background and options with supporting evidence:

- 4.1 Bringing empty properties into use will rejuvenate the housing supply, reduce the carbon footprint and promote the City's Low Carbon status.
- 4.2 82 Ocean Road, Leicester, LE5 2ES has been vacant since 12th April 2007. During this time the property continues to be vacant and unimproved. See supporting evidence in Appendix A.
- 4.3 Several complaints have been received about the poor condition of the empty property, including local residents complaining to their local Councillor.

- 4.4 Numerous letters have been sent to the owner of the property encouraging contact with the Empty Homes Team, but the owner has never responded.
- 4.5 There has been some evidence of works in progress during regular visits to the property by the Empty Homes Team, but that has now stopped. The owner is not actively trying to sell it.
- 4.6 The request to proceed with a Compulsory Purchase Order is made only as a 'last resort' following owners' failure to bring empty properties back into use through their own efforts.
- 4.7 Without the Council's intervention the property is likely to remain unoccupied and unimproved.

4.8 Advantages of a Compulsory Purchase Order:

- Will ensure property becomes improved or the existing condition is maintained
- Will ensure the property becomes occupied
- Will provide much needed residential family accommodation
- Helps to replenish the housing stock
- Will remove an eyesore or prevent further deterioration of properties currently in reasonable/good condition
- Improve the local economy and environment
- Will make Leicester a more pleasant place to live and work
- Without a CPO the council is likely to receive further neighbour and councillor complaints
- The council will save money as there will be no need to serve Notices

4.9 **Disadvantages of a Compulsory Purchase Order:**

Owners may object to the process of a Compulsory Purchase Order (CPO) which could result in the council bearing the cost of a Public Inquiry and potentially incurring the owners' professional fees, if unsuccessful.

4.10 This disadvantage can be minimised by continuing to work with owners, where possible, by providing advice and assistance; monitoring progress; and to maintain dialogue towards getting properties occupied. Experience has shown that in the majority of cases properties become occupied without the need to enforce a CPO.

5. Detailed Report

See Appendix A

6. Financial, legal, equalities, climate emergency and other implications

6.1 Financial implications

There is a £50k budget available in the 2021-2022 approved capital programme. This covers the difference between the costs arising from taking possession of the property, the compensation payment to the owner and the capital receipt received from the sale at auction. The average net cost per property ranges from £3k to £10k, depending on the complexity of individual cases.

Stuart McAvoy – Principal Accountant

6.2 Legal implications

The Council has powers to acquire land and property for housing purposes under Sections 9 and 17 of the Housing Act 1980 (as amended). In acquiring property by way of a CPO, the Council is required to comply with and have regard to Government guidance contained in the MHLG Guidance on Compulsory purchase process and The Crichel Down Rules updated in 2018, and to justify how of the Council can demonstrate a compelling interest in the circumstances in the compulsory acquisition of the property, sufficient to defend its proposals at public inquiry (or written representations), or in the courts.

The Council will need to be satisfied that the purposes for which it is making the CPO sufficiently justify interference with the human rights of those with an interest in the property, and to consider the rights of owners to the free and undisturbed use of their property, provided by Article 1 of the First Protocol to the European Convention on Human Rights. The council should also be able to demonstrate that the public benefit will outweigh the private loss and that the Human Rights of those affected are fully considered.

The Guidance states that the Council must demonstrate that there are no planning problems or other impediments to the scheme proceeding following confirmation of the CPO, and to show that it also has sufficient resources to bring forward a scheme, or an indication of how potential shortfalls will be met. To meet this test the council would need to have in place firm, viable proposals for bringing the property back into use as housing accommodation in accordance with the purpose that underlines the CPO.

CPO is a **last resort**, and – purchases should always be attempted by negotiation in the first instance. The Council must show that negotiations with the landowner to purchase the property have been pursued and that an on-going dialogue has been maintained, but that the use of the property as housing accommodation cannot be achieved unless a CPO is made and confirmed.

Any perceived abuse of CPO powers could lead to the CPO being refused, or a claim against the council for abuse of statutory powers. The Council would need to demonstrate a significant need to interfere with the owner's human rights in these circumstances. Such action is likely to be considered to be an unlawful interference with the owner's human rights and could potentially lead to the Order being made void, with the consequences referred to above.

John McIvor - Principal Lawyer (Property & Planning)

6.3 <u>Equalities implications</u>

In carrying out its duties the Council must comply with the Public Sector Equality Duty (PSED) (Equality Act 2010) by paying due regard, when carrying out their functions, to the need to eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act, to advance equality of opportunity and foster good reasons between people who share a 'protected characteristic' and those who are likely to be affected by the recommendation and their protected characteristics.

Protected Characteristics under the Equality Act 2010 are age, disability, gender, reassignment, marriage and civil partnership, pregnancy and maternity, race religion or belief, sex, sexual orientation.

The council is obliged to act in a way which is compatible with the European Convention on Human rights. The Convention rights relevant to compulsory acquisition are Article 1, Article 6, Article 8 and Article 14. These rights are qualified rights and may be interfered with provided such interference is prescribed by law, is pursuant to a legitimate aim, is necessary in a democratic society and is proportionate.

The purposes for which the order is made should justify the interference with the human rights of those with an interest in the affected property/land.

Bringing empty homes back into use can help to meet the demand for affordable housing in the city and potentially households on the housing register and provide housing for people in need of a home. Empty homes brought back into use can help to meet the diverse housing needs of all sections of our communities.

The benefits of returning an empty home into use can impact on the wider community, homes that are lived in help to support safer communities.

The impacts of returning empty homes into use would be positive on people from across all protected characteristics.

Surinder Singh Equalities Officer 37 4148

6.4 Climate emergency implications

Homes are responsible for a third of Leicester's carbon emissions and tackling these emissions is a vital following the council's declaration of a climate emergency in 2019. Where refurbishment work is carried out to bring empty properties back into use, this may provide opportunities to improve their energy efficiency and reduce their carbon emissions, for example through insulation, draft proofing, replacement lighting or new heating systems. By reducing the need for new housing to be built, the service also helps to reduce the carbon emissions from the building of new homes including the 'embodied' emissions of construction materials.

Aidan Davis, Sustainability, Officer, Ext 37 2284

6.5 Other implications

	Yes/No	Refer to Paragraph
Equal Opportunities	No	
Policy	Yes	1, 2, 3, 4 & 8
Sustainable and Environmental	Yes	3
Crime & Disorder	No	
Human Rights Act	Yes	6.2
Elderly/People on Low Income	No	
Corporate Parenting	No	
Health & Inequalities Impact	No	

7. Background information and other papers:

- 7.1 On 21st November 1996 the city council's Housing Renewal Sub-Committee approved the use of Compulsory Purchase Orders in the public interest, on houses which fall within a specified category.
- 7.2 In February 2013 the Leicester City Council Scrutiny Commission Reviewed Private Sector Empty Homes strategy and the City Mayor approved additional resources to increase the impact of the strategy by targeting long term vacant properties empty over 18 months requiring enforcement action meaning Compulsory Purchase Orders.

8. Summary of appendices:

Appendix A provides outline details of the situation for this property and supports the recommendation to proceed with a Compulsory Purchase Order.

9. Is this a private report: No, only Appendix A

9.1 The general covering report is not confidential, but the specific details given about the property in Appendix A is confidential. This is because it gives specific information about the property and the owner(s). This is exempt information as defined in Paragraphs 1 and 3 of Schedule 12A of the Local Government Act 1972, as amended.

Appendix A is therefore marked "Not for Publication".

10. Is this a "key decision"? No

82 Ocean Road, Leicester, LE5 2ES

Map referred to in the Leicester City Council 82 Ocean Road, Leicester, LE5 2ES Compulsory Purchase Order 2021.

