

Subject:	Compulsory Purchase of Long-Term Empty Properties	Status:	For Publication
Report to:	Cabinet	Date:	26 th November 2014
Report of:	Health and Housing Manager	Portfolio Holder:	Housing and Environmental Health
Key Decision:	<input checked="" type="checkbox"/> Forward Plan <input checked="" type="checkbox"/>	General Exception <input type="checkbox"/>	Special Urgency <input type="checkbox"/>
Community Impact Assessment:	Required:	Yes	Attached: Yes
Biodiversity Impact Assessment	Required:	No	Attached: No
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1.	RECOMMENDATION(S)
1.1	<p>Approve the making of compulsory purchase orders (“CPOs”) under Section 17 of the Housing Act 1985 (as amended) on the land and buildings detailed below:-</p> <p>BACUP (17 Regent Street, Bacup) Compulsory Purchase Order 2015 BACUP (10 Industrial Street, Bacup) Compulsory Purchase Order 2015 BACUP (44 Industrial Street, Bacup) Compulsory Purchase Order 2015 BACUP (584 Fair View, Tong Lane, Bacup) Compulsory Purchase Order 2015 BACUP (10 Russell Street, Bacup) Compulsory Purchase Order 2015 BACUP (32 Inkerman Street, Bacup) Compulsory Purchase Order 2015 BACUP (10 St James Square, Bacup) Compulsory Purchase Order 2015 BACUP LEES STREET (Lees Street, Bacup) Compulsory Purchase Order 2015 BACUP (31 BANKSIDE LANE, BACUP) COMPULSORY PURCHASE ORDER 2015 WHITWORTH (52 Thorburn Drive, Whitworth) Compulsory Purchase Order 2015 WHITWORTH (207 Market Street, Whitworth) Compulsory Purchase Order 2015 STACKSTEADS (9 Herbert Street, Stacksteads) Compulsory Purchase Order 2015 STACKSTEADS (179, Newchurch Road, Stacksteads) Compulsory Purchase Order 2015 STACKSTEADS (290, Newchurch Road, Stacksteads) Compulsory Purchase Order 2015 STACKSTEADS (32, Cutler Lane, Stacksteads) Compulsory Purchase Order 2015 STACKSTEADS (46, Cutler Lane, Stacksteads) Compulsory Purchase Order 2015 STACKSTEADS (48, Cutler Lane, Stacksteads) Compulsory Purchase Order 2015 STACKSTEADS (56, Cutler Lane, Stacksteads) Compulsory Purchase Order 2015 STACKSTEADS (5, Acre Mill Road, Stacksteads) Compulsory Purchase Order 2015 HASLINGDEN (18 Colldale Street, Haslingden) Compulsory Purchase Order 2015 HASLINGDEN (18 Fields Road, Haslingden) Compulsory Purchase Order 2015 HASLINGDEN (2a Rifle Street, Haslingden) Compulsory Purchase Order 2015 HASLINGDEN (2b Rifle Street, Haslingden) Compulsory Purchase Order 2015 RAWTENSTALL (9 Daisy Hill, Rawtenstall) Compulsory Purchase Order 2015 RAWTENSTALL (7 Daisy Hill, Rawtenstall) Compulsory Purchase Order 2015</p>
1.2	To authorise the Director for Business to make minor amendments, modifications or deletions to the CPO schedule of interests and map, should this be necessary, and to finalise the making and submission of the CPO, including promoting the Council’s case at public inquiry, if necessary.
1.3	<p>Subject to confirmation by the Secretary of State to authorise the Director of Business to secure full title to and possession of the CPO land as appropriate by:</p> <ul style="list-style-type: none"> Serving notice of confirmation of the CPO on all interested parties.

	<ul style="list-style-type: none"> • Serving notice of intention to execute a General Vesting Declaration. • Executing the General Vesting Declaration. • Serving Notices to Treat and/or Entry as appropriate.
1.4	That following acquisition the property is offered on a “sale for refurbishment” basis, with a proviso that the work be carried out to a specification within a stipulated time frame with a buy back clause for the Council.

2. PURPOSE OF REPORT

- 2.1 To request Cabinet to approve the making of Compulsory Purchase Order (CPO) under Section 17 of the Housing Act 1985 in respect of the above properties.
- 2.2 To authorise the Director for Business to publish and serve all appropriate notices and to apply to the Secretary of State for, and to take all actions considered to be appropriate to secure the confirmation of the CPOs and following confirmation of the Order, approval for the making of a General Vesting Declaration for each property.

3. CORPORATE PRIORITIES

- 3.1 The matters discussed in this report impact directly on the following corporate priorities:
- Priority 1: Regenerating Rossendale:** This priority focuses on regeneration in its broadest sense, so it means supporting communities that get on well together, attracting investment, promoting Rossendale, as well as working as an enabler to promote the physical regeneration of Rossendale.
- Priority 2: Responsive Value for Money Services:** This priority is about the Council working collaboratively, being a provider, procurer and a commissioner of services that are efficient and that meet the needs of local people.

4. RISK ASSESSMENT IMPLICATIONS

- 4.1 All the issues raised and the recommendation(s) in this report involve risk considerations as set out below:
- The properties and land identified above are in poor condition and they have continued to deteriorate since coming to the Council’s attention. Numerous complaints have been made about the property from adjoining neighbours and Councillors. Various Council departments have tried to resolve issues with the owners and bring the properties back into use. The risk is that even if CPOs were not sought, the condition of these properties and land would continue to be a social and economic blight to the surrounding amenities and residential dwellings where they are situated. As well as a financial drain on Council resources addressing continuing complaints with these properties. By not taking pro-active action this could also lead to the Council being viewed extremely negatively. It may appear that the Council is not serious about tackling long-term empty properties and doesn’t support its own policies.
 - There is a risk that the costs incurred for making the CPOs may not be recuperated from the subsequent sales. However, funding has been set aside from previous CPOs to underwrite these costs.
 - If the Council does not take appropriate action the Council could be subject to challenges from surrounding neighbours via the Local Government Ombudsman for failing to act and deliver on previous promises to bring these properties back into use.

5. BACKGROUND AND OPTIONS

- 5.1 There are 1547 empty properties in Rossendale (including second homes); approximately ten percent (173) of these have been empty for over 2 years. They are spread across the

borough and attract associated problems of anti-social behaviour, crime and fly tipping. Tackling empty homes is a priority for the Council and for PLLACE.

- 5.2 17 Regent Street, Bacup (Empty 10+ years); 10 Industrial Street, Bacup (Empty for 7+ years); 44 Industrial Street, Bacup (Empty for 4+ years); 584 Fair View, Tong Lane, Bacup (Deleted from ratings c.1994); 10 Russell Street, Bacup (Empty 10+ years); 32 Inkerman Street, Bacup (14+ years); Lees Street, Bacup (Derelict and abandoned 10+ years); 10 St James Square, Bacup (Empty for 19+ years); 31 Bankside Lane, Bacup (Empty 12+ years), 52 Thorburn Drive, Whitworth (Empty for 3+ years); 207 Market Street, Whitworth (Empty for 4+ years); 9 Herbert Street, Stacksteads (Empty for 20+ years); 179 Newchurch Road, Stacksteads (Empty for 7+ years); 290 Newchurch Road, Stacksteads (Empty for 7+ years); 32 Cutler Lane, Stacksteads (Empty for 7+ years); 46, Cutler Lane, Stacksteads (Empty for 4+ years); 48, Cutler Lane, Stacksteads (Empty for 2+ years); 56, Cutler Lane, Stacksteads (Empty for 2+ years); 5 Acre Mill Road, Stacksteads (Empty for 17+ years); 18 Colldale Street, Haslingden (Empty 10+ years); 18 Fields Road, Haslingden (Empty 14+ years); 2a Rifle Street, Haslingden (Empty for 7 +years); 2b Rifle Street, Haslingden (Empty for 7 +years); 9 Daisy Hill, Rawtenstall (Empty for 23+ years); and 7 Daisy Hill, Rawtenstall (Empty for 23+ years). The length of time empty illustrated that without some form of intervention they will not be brought back in to use.
- 5.3 Negotiations for the acquisition of the properties have not yet commenced as no contact has been received from the owners. If the owners do contact the Council following the commencement of this action then efforts will be made to purchase the properties by agreement.
- 5.4 Where owners contact us, we will work with them to reach an agreement for bringing the property back in to use. If agreement cannot be reached satisfactorily, we reserve the right to use CPO powers as a last resort.
- 5.5 If the owners do not come forward to receive their market value compensation, the General Vesting Declaration (GVD) procedure will be followed and payment will be made in to court. This will ensure allocated budgets are defrayed. After a period of 12 years has passed and no owner has come forward to claim payment, the Council can request the money back from the Courts.
- 5.6 The costs for the process will need to be underwritten from the Council's general reserve and at this stage to total costs are estimated to be in the region of £715,000. However, expenditure is likely to be phased across the process as it is dependent upon the responsiveness of owners to the use of CPO powers.
- 5.7 It is expected that all expenditure will be fully recovered through the CPO process via the resale of the acquired properties. In respect of Lees Street the Council have secured an agreement with the neighbouring landowner to underwrite the CPO process.

COMMENTS FROM STATUTORY OFFICERS:

6. SECTION 151 OFFICER

- 6.1 Financial implications are noted in the report in particular the use of reserves to underwrite the proposals being the Council's maximum financial exposure. However, the report anticipates that this exposure is unlikely due to the subsequent resale of assets. Reserves are therefore used, in the main, to support the cash flow implications between CPO and subsequent disposal.

7. MONITORING OFFICER

7.1 Compulsory purchase powers are provided to enable acquiring authorities to compulsorily purchase land to carry out a function which Parliament has decided is in the public interest. The compulsory purchase process is made up of a number of stages. It is important to note that the council does not have the powers to compulsorily acquire land until the appropriate Government Minister confirms the CPO. However, the Council can acquire by agreement at any time and we should continue our attempt to do so before acquiring by compulsion.

8. POLICY IMPLICATIONS AND CONSULTATION CARRIED OUT

8.1 Officers have carried out extensive consultations with neighbours; relevant Portfolio Holder; Ward Councillors; and other Council departments as well as members of the local community.

8.2 Officers have been monitoring the condition of this property under the Council’s Empty Homes Policy. Letters posted to the owners; notices affixed to the premises and telephone calls as with the owners have failed to elicit a response

8.3 An equality impact assessment has been undertaken and no adverse negative impacts on equality groups have been identified as a result of implementing this policy decision.

9. CONCLUSION

9.1 These properties are long term vacant (i.e. over 6 months) with several being vacant over 5 years. Without intervention by the Council through acquisition by agreement or CPO the properties may remain vacant, continue to deteriorate, attract anti-social behaviour, fly-tipping and arson, all of which cause fear in local residents, resulting in declining neighbourhoods.

9.2 The owners of these properties have been contacted on numerous occasions and have either not responded at all or have given no reasonable proposals for renovating the properties or bringing them back into housing use.

Background Papers

Document	Place of Inspection
Empty Homes Property Files	Room 203, Futures Park