

**Report of** HEAD OF HOUSING PARTNERSHIPS

**Report to** DIRECTOR OF ENVIRONMENT AND HOUSING

**Date:** 25 SEPTEMBER 2014

**Subject:** PROPOSED COMPULSORY PURCHASE ORDER

**59 CARDINAL ROAD, BEESTON, LEEDS LS11 8EY**

Are specific electoral Wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, name(s) of Ward(s): <b>Beeston and Holbeck</b>		
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, Access to Information Procedure Rule number: <b>10.4.(3)</b>		
Appendix number: <b>1</b>		
Appendix 1 to this report has been marked as exempt under Access to Information Procedure Rules 10.4 (3) on the basis that it contains information relating to the financial or business affairs of any particular person (including the authority holding that information) which, if disclosed to the public, would, or would be likely to prejudice the commercial interests of that person or of the Council.		

## Summary of main issues

1. Section 17 of the Housing Act 1985 gives Local Authorities the power to acquire buildings and land through compulsory purchase for the purpose of providing housing accommodation.
2. The property proposed for compulsory purchase is 59 Cardinal Road, Beeston, Leeds LS11 8EY, a brick built semi-detached under a pitched concrete tiled roof. It was built in 1944 and is located within the Beeston area of the Beeston and Holbeck ward.
3. The property is in a semi-derelict condition with a market value of £40,000. Repair costs are estimated to be around £26,000 inclusive of VAT.

4. Council Tax indicates that the earliest record of the property being vacant is 1<sup>st</sup> February 2010.
5. The property is registered with Land Registry. Their records indicate that the present owner obtained ownership in July 2008.

### **Recommendations**

6. It is recommended that the Council seeks to acquire 59 Cardinal Road, Beeston Leeds LS11 8EY by means of compulsory purchase as its renovation and reoccupation is unlikely to be achieved without the intervention of the Council. Once acquired, the Council, subsequently, will dispose of the property in line with the previously agreed mechanism for disposal of properties acquired through compulsory purchase (see Appendix 6). .

## **1 Purpose of this report**

- 1.1 This report recommends that the Council seeks to acquire, by means of a Compulsory Purchase Order, a long term empty residential property at 59 Cardinal Road, Beeston, Leeds LS11 8EY which has been neglected and is now in a semi-derelict condition.
- 1.2 Once acquired, the property will be disposed as per the agreed process for disposal of private sector long term empty properties acquired through compulsory purchase (see Appendix 6).

## **2 Background information**

- 2.1 Currently, there are estimated to be about 14,000 privately owned empty properties in Leeds. Of these, approximately 6,000 have been vacant for more than six months. Vacant properties become a target for vandals and are vulnerable to crime, particularly arson and burglary.
- 2.2 The problem of individual empty properties in otherwise sustainable streets, affects all wards in the city to a greater or lesser extent. Even areas of the city which have a buoyant housing market and high house prices, still have problems with individual empty properties. These properties can have serious effects on the immediate neighbourhood in terms of a rundown appearance, infestations of vermin, overgrown vegetation, refuse dumping and vandalism. House prices of well-kept adjacent properties can be seriously affected, if the homeowner is able to sell at all. Yet the vacant properties are frequently much sought after by would be developers who want to buy and renovate them.
- 2.3 59 Cardinal Road, Beeston, Leeds LS11 8EY is a brick built semi-detached house of traditional cavity wall construction under a pitched concrete tiled roof. It is vacant and in a semi-derelict condition. It was built in 1944 and is located in the Beeston area of the Beeston and Holbeck ward (see Appendix 2: plan to show the position of the property in relation to Beeston).
- 2.4 The accommodation comprises two storeys. There are three bedrooms and a bathroom on the first floor; two reception rooms and a kitchen on the ground floor. The property has the benefit of a garden to the front and rear elevations.

## **3 Main issues**

- 3.1 59 Cardinal Road, Beeston, Leeds LS11 8EY is registered with Nottingham Land Registry. Their records show that the present owner registered their interest in July 2008 (see Appendix 1: Confidential information).
- 3.2 Council Tax records indicate that the property has been empty since February 2010. Since then it has been neglected and is now in a semi-derelict condition. It

appears to have been inhabited by squatters at some point and will require a needle sweep and full clear out. There is great deal of damage to the internal fabric of the building and fixtures and fittings.

- 3.3 Major works are required to the property prior to its reoccupation. It will need stripping back to a shell and complete refurbishment including full rewire, full central heating installation, new kitchen and bathroom. Extensive repairs are needed to plaster walls and lath and plaster ceilings and timber flooring. Structurally the property is sound with a relatively new roof, however new doors and windows are required along with external landscaping including demolishing and carting away of the garage and unsafe porch.
- 3.4 It has been neglected in recent years and is now in a semi-derelict condition. In November 2013, leading up to bonfire night, the Council cleared a number of vehicle tyres from the rear of the property fearing that they may be set alight.
- 3.5 Numerous statutory notices have been served on the owner requiring him to deal with the various problems caused by his property. The property has been the subject of a number of complaints about its condition and being long term empty. Complaints have been about it being open to access, accumulations of refuse, broken soil pipe and the presence of cement sheeting which may have contained asbestos. The Notices were not complied and consequently the Council carried out the work in default of the owner.
- 3.6 Enforced Sale has been considered but as there is no outstanding debt this option has been discounted. There is a demand for this type of accommodation (see appendix 3).
- 3.7 The property at present is in a state of disrepair as outlined in 3.3 above. It detracts from the immediate area and has the potential to attract further anti-social behaviour and to adversely affect community safety as well as having a negative impact on local property prices. The property contains many Category 1 hazards when inspected in accordance with the Housing Health and Safety Rating System (HHSRS) as introduced by Part 1 of the Housing Act 2004. It is considered that the most satisfactory course of action is the renovation of the property. The dwelling is capable of being renovated at reasonable expense to make it achieve the standards laid down in the Housing Act 2004 and also the Decent Homes Standard, having regard to property values in the area.
- 3.8 The property has been in the ownership of the Council previously. The owner has been approached with a view to selling it back to the Council and to that end a survey and valuation of the premises have been undertaken. However, agreement on a sale/purchase price could not be reached and negotiations have broken down. The property remains empty and has been the subject of further vandalism.

- 3.9 The options available to the council are to do nothing or to instigate the Compulsory Purchase Order procedure.
- 3.10 In the opinion of officers, the renovation and reoccupation of 59 Cardinal Road, Beeston, Leeds LS11 is unlikely to be achieved without the intervention of the Council, the most appropriate action being to instigate Compulsory Purchase Order procedures. Doing nothing is likely to result in the further deterioration of conditions at the property, with consequences as detailed in section 4.6.6
- 3.11 Once the property is acquired by the Council the intention is to dispose of it in line with the agreed process for disposal of properties acquired through compulsory purchase (see appendix 6).

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

- 4.1.1 Ward Members were consulted on 15<sup>th</sup> September 2014 regarding the proposal to compulsory purchase 59 Cardinal Road, Beeston, Leeds LS11. All are in favour of the proposed course of action.

### **4.2 Equality and Diversity / Cohesion and Integration**

- 4.2.1 An 'Equality, Diversity, Cohesion and Integration Screening' form has been completed and is attached as Appendix 5. This shows that there is no impact on equality, diversity, cohesion and integration through the actions proposed in this report. There is no existing or likely differential impact for the different equality characteristics, no existing or likely public concerns about the proposal, no likely effect on council activities or employment practices and no likely effect on unlawful discrimination, equality of opportunity, or fostering good relations. A full EDCI Impact Assessment on the work done for the Empty Property Strategy has been completed.

### **4.3 Council policies and City Priorities**

- 4.3.1 The action proposed is in line with council's policy in respect of empty properties and is contributing to the following targets and priority in the Council's Policy Framework.
- Reducing number of long term empty properties
  - Reducing crime levels and their impact across Leeds
  - Effectively tackle and reduce anti-social behaviour in our communities

- Increase a sense of belonging that builds cohesive and harmonious communities
- Increase affordable homes within sustainable neighbourhoods
- Improve the quality of the environment.
- Improving housing conditions and energy efficiency

#### **4.4 Resources and value for money**

- 4.4.1 A valuation carried out City Development in April 2014 put the value of the property at £40,000 in its current state.
- 4.4.2 The compulsory purchase expenditure will be met from the Leeds Neighbourhood Approach approved fund for Compulsory Purchase subject to receiving panel approval.
- 4.4.3 The proposals contained in the report do have implications under Section 17 of the Crime and Disorder Act 1998 in that the compulsory purchase, sale, refurbishment and reoccupation of the property will reduce the incidence of vandalism and anti - social behaviour in the vicinity of Cardinal Road.

#### **4.5 Legal Implications, Access to Information and Call In**

- 4.5.1 The Council has considered whether the powers it seeks to exercise are compatible with the European Convention of Human Rights, in particular Article 8 (respect for private family life and home) and Article 8 of the first Protocol of the Convention (right to peaceful enjoyment of possession). The recommended decision strikes a clear balance between the public interest in securing the refurbishment and reoccupation of this property and the interference with private rights, which will arise if a Compulsory Purchase Order is made, confirmed and implemented .It has concluded that there is a compelling case in the public interest for the acquisition of the land and property and that this outweighs the loss that will be suffered by the existing property owner(s). This Compulsory Purchase Order action follows existing legislative provisions in respect of the making and confirming of a Compulsory Purchase Order and the payment of compensation where applicable, and as such, the Council considers this to be compatible with the Convention.
- 4.5.2 Scrutiny process is not necessary under the ruling.
- 4.5.3 Confidential information is listed in Appendix 1

## **4.6 Risk Management**

- 4.6.1 The property will be acquired compulsorily and this may be challenged in law.
- 4.6.2 The time between acquisition and disposal and changing market conditions may affect the value of the property, up or down. The risk could be reduced if the process is implemented promptly.
- 4.6.3 There is a risk to the Council in not dealing with empty properties, both in the way Central Government assesses our strategic housing performance and in the way residents see the ability of the Council to intervene in the problems that are of concern to them.
- 4.6.4 Although it is unlikely, the acquired property may, whilst in the Council's possession, fall into such a condition that the Council may have to demolish it. Should this happen, the Council may have to bear the cost of its demolition.
- 4.6.5 It is unlikely that the purchaser, whether the council, a Registered Provider or a private individual would fail to bring the property back into use as per contractual agreement. Should they fail to carry out the works within a specified time, the Council may have to re-purchase the property with a view to re-selling.
- 4.6.6 Consequences of not going ahead with this scheme:
- Risk to local community safety due to being a potentially dangerous property.
  - Decrease in market value of surrounding housing stock.
  - Increasing incidents of vandalism.
  - Adverse publicity due to property attracting crime and other anti-social behaviour such as illegal dumping of refuse and drug use.
  - Loss of local community confidence.
  - Delay to regeneration and economic development project in the Carlton area.
  - Failure to meet departmental objectives in which the Council aims to work together with key partners to improve conditions in which people live and strive towards neighbourhoods that are clean, safe, well maintained and sustainable for the future.
  - Further reduction on affordable housing within the Carlton area.

## **5 Conclusions**

- 5.1 59 Cardinal Road, Beeston, Leeds LS11 8EY, has been vacant since at least February 2010. It has been neglected and is in a semi-derelict condition. The owner has failed to renovate the property.

- 5.2 The property is located in the Beeston area, where public and private finances have been invested in properties and environmental improvements. It is essential that confidence in the area is maintained to encourage continuing investment and maintain the stability of the community. The existence of a semi-dilapidated long term vacant property such as this can have a significantly detrimental effect.
- 5.3 The owner does not appear to have a plan to renovate the property within a reasonable time scale. Enforced Sale Procedure is not appropriate as any outstanding debt is considered too low to pursue this course of action. The alternative to Compulsory Purchase Order action appears to be to leave the property to deteriorate further. It is clear that to do nothing is unacceptable.
- It is the view of officers that renovation and reoccupation of 59 Cardinal Road, Beeston, Leeds LS11 8EY is only likely to be achieved through the Council's intervention, the most appropriate action being to instigate Compulsory Purchase Order procedures.
- 5.4 The compulsory purchase expenditure will be met from the Leeds Neighbourhood Approach Approved Fund for compulsory purchase subject to receiving panel approval.

## **6 Recommendations**

The Director of Environment and Housing is recommended to:-

- 6.1 Instruct officers to instigate Compulsory Purchase Order action under the provisions of Part II and Section 17 of the Housing Act 1985 against the premises known as 59 Cardinal Road, Beeston, Leeds LS11 8EY.
- 6.2 Subject to the confirmation of the Order, the property will be disposed of in line with the previously agreed disposal mechanism for properties obtained through compulsory purchase (Appendix 6).
- 6.3 Authorise the allocation of funds from the Leeds Neighbourhood Approach approved fund to meet any claim for compensation that may arise subsequently from the title holder of the property.
- 6.4 Authorise the City Solicitor to prepare a Compulsory Purchase Order under the provisions of Part II and Section 17 of the Housing Act 1985, that the Common Seal of the Council be affixed thereto and to the Order Map and that the City Solicitor be further authorised to make application to the Department of Communities and Local Government for confirmation of the Order.



## **7 Background documents<sup>1</sup>**

Appendix 1 Confidential information

Appendix 2 Plan to show the property in relation to the Beeston area

Appendix 3 Number of applications on the Leeds Homes Register

Appendix 4 Photographs of the subject property

Appendix 5 Equality, Diversity, Cohesion and Integration Screening

Appendix 6 Disposal process for long term empty private sector properties

Appendix 7 Delegated Decision Notice

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.