

Report of HEAD OF HOUSING PARTNERSHIPS
Report to DIRECTOR OF ENVIRONMENT AND HOUSING
Date: 27TH NOVEMBER 2014
Subject: PROPOSED COMPULSORY PURCHASE ORDER
14 EDINBURGH TERRACE, ARMLEY, LEEDS LS12 3RH

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): Armley	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
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? If relevant, Access to Information Procedure Rule number: 10.4.(3) Appendix number: 1	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

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 14 Edinburgh Terrace, Armley, Leeds LS12 3RH, a brick built mid-terraced, back-to-back property of traditional solid wall construction. It was built in the early 20th century and is located within the Armley area and is currently the subject of proactive enforcement action as part of the Leeds Neighbourhood Approach scheme.
3. The property is fire damaged and in a semi-derelict condition. Repair costs are estimated to be around £28,500 inclusive of VAT. Its market value is £41,500.
4. Council Tax records indicate that the property has been vacant since at least 23rd April 1995 when the last tenant vacated. The property subsequently has been deleted from the Council Tax list due to its poor condition.
5. Land Registry records indicate that the registered owner obtained ownership on 21st August 1984.

Recommendations

6. It is recommended that the Council seeks to acquire 14 Edinburgh Terrace, Armley, Leeds LS12 3RH by means of Compulsory Purchase Order action 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).

Purpose of this report

- 1.1 This report recommends that the Council seeks to acquire, by means of a Compulsory Purchase Order, under section 17 of the Housing Act, 1985, a residential property at 14 Edinburgh Terrace, Armley, Leeds LS12 3RH that has been vacant for a number of years and is now in a semi-derelict condition.
- 1.2 Once acquired, the property subsequently 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 can 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 houses 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 14 Edinburgh Terrace, Armley, Leeds LS12 3RH is a solid wall constructed mid-terraced, back-to-back property under a pitched slate roof with a cast iron skylight. It was built in the early 20th century and is located in an area of back to back and through terrace Victorian housing with mixed ownership of private, local authority and Registered Providers (see Appendix 2: plan to show position of the property in relation to Edinburgh Terrace).
- 2.4 The property comprises 4 storeys, including the attic and cellars. The accommodation is provided on three levels. There is an attic bedroom on the second floor, one bedroom and a bathroom on the first floor; a living room and a scullery kitchen on the ground floor. The cellar is likely to have been used for storage rather than human habitation. The property has the benefit of a small front yard onto Edinburgh Terrace.
- 2.5 14 Edinburgh Terrace is located within the Leeds Neighbourhood Approach (LNA) scheme in Armley. The LNA was introduced by the Council in spring 2013 to deal with an area of Leeds that contain a high proportion of privately rented houses and a disproportionate number of empty homes. Such areas typically suffer from high levels of crime as well as various social, economic and environmental problems. Working proactively and intensively with property owners, landlords, tenants, residents and key partners, including the Police and West Yorkshire Fire and Rescue Service, the Council aims to raise housing standards; help make social, financial and environmental improvements; bring empty homes back into

use and ultimately create a strong, stable community. Significant resources have been invested in the Armley area by the Council and its partners resulting in empty homes being brought back into use and improved housing conditions within the private rented sector. However, there are some owners who refuse to cooperate with the Council and allow their property to continue to deteriorate.

3 Main issues

- 3.1 14 Edinburgh Terrace is registered with Nottingham Land Registry. Their records show that the present owner registered their interest on 21st August 1984 (see Appendix 1: Confidential information).
- 3.2 Council Tax records indicate that the property has been empty since at least April 1995 when the last tenant vacated. The property has been deleted from Council Tax listings due to its poor condition. It would have been in Council Tax band A. This represents loss revenue of £894.33 per annum at current council tax rates.
- 3.3 Housing Services records show that the property has been the subject of a number of complaints from local residents and neighbours regarding its deteriorating condition and its adverse effect upon neighbouring and adjoining properties. The complaints chiefly have been in relation to the sighting of rodents, pigeons freely accessing the premises, accumulations of refuse within the garden and the premises being open to unauthorised access at ground floor level. It should be said that in a number of cases complaints, once investigated, could not be substantiated. Nevertheless, this indicates the impact of the property upon the mental wellbeing of local residents.
- 3.4 A number of statutory notices have been served on the owner over the years requiring him to address the problems caused by the property. The owner has been uncooperative and failed to comply with various notices. Consequently, the Council has carry out work in default of the owner. The Council has considered Enforced Sale but any outstanding debt is considered too low to pursue that course of action.
- 3.5 The house, at present, is in a state of disrepair. An internal inspection of the property found that it contained many Category 1 hazards as defined by the Housing Health and Safety Rating System (HHSRS) as introduced by Part 1 of the Housing Act 2004. It is considered that the dwelling is capable of being renovated at reasonable expense to achieve the standards laid down in the Housing Act 2004 and also the Decent Homes Standard, having regard to the property values in the area.
- 3.6 The owner has been contacted by Housing Services officers since 2008 regarding the future of the property. He has repeatedly stated his intention to renovate the premises but the pace of work has been extremely slow and has now come to a halt. Outstanding work includes the replacement of windows, provision and installation of central Heating system, rewire, plastering work and the rebuilding of the boundary wall.
- 3.7 The property is known to have suffered two arson attacks. The West Yorkshire Fire and Rescue Service have expressed concern at the condition of the premises

and the nature of materials (reported to be butane and oxy-acetylene bottles) stored within the premises which they witnessed whilst attending the property in July 2010.

- 3.8 Officers have concluded that without the making of a Compulsory Purchase Order the property will remain empty and in a semi derelict state. This is unfortunate given that the house is located in an area of demand for housing (see appendix 3).
- 3.9 Given the prolonged neglect of the property over the years it would appear that the owner does not have any immediate plan for its renovation and reoccupation. It is very probable that the property will deteriorate further and will attract complaints about its condition or simply being empty.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Ward Members were consulted on 6th November 2014 regarding the proposal to compulsory purchase 14 Edinburgh Terrace, Armley, Leeds LS12. Those who responded gave their support for the proposed 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 not an 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 the Council's policy in respect of empty properties and is contributing to the following targets and priority in the Council's Policy Framework.

- Reducing the number of long term empty properties
- Reducing crime levels and their impact across Leeds
- Effectively tackling and reducing anti-social behaviour in our communities
- Increasing a sense of belonging that builds cohesive and harmonious communities
- Increasing affordable homes within sustainable neighbourhoods
- Improving 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 by City Development in July 2014 put the value of the property at £41,500 in its current state.
- 4.4.2 The compulsory purchase expenditure will be met from the Leeds Neighbourhood Approach approved fund subject to receiving panel approval.
- 4.4.3 All monies recovered will be recycled back into the Leeds Neighbourhood Approach approved fund.
- 4.4.4 The proposals contained in the report 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 Edinburgh Terrace.

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 difference 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 it.
- 4.6.6 Consequences of not going ahead with this scheme:
- Risk to local community safety due to 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 Armley 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 in affordable housing within the Armley area.

5 Conclusions

- 5.1 14 Edinburgh Terrace, Armley, Leeds 12 has been vacant since 1995. It has been fire damaged and is in a semi-derelict condition. The owner has failed to renovate the property and offers little hope of doing so.
- 5.2 The property is located in the Armley 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-derelict long term vacant property such as 14 Edinburgh Terrace, Armley, Leeds 12 can have a significant detrimental effect.
- 5.3 The owner does not appear to be able to renovate the property within a reasonable timescale. Enforced Sale procedure, an alternative to compulsory purchase, is not appropriate as any outstanding debt against the property is considered too low to pursue that course of action.
- 5.4 It is the view of officers that renovation and reoccupation of 14 Edinburgh Terrace, Armley, Leeds 12 is unlikely to be achieved without the intervention of the Council, the most appropriate action being to instigate Compulsory Purchase Order procedures.
- 5.5 Once the property is acquired by the Council it is intended to be disposed in line with the previously agreed process for disposal of properties acquired through compulsory purchase (see appendix 8).

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 14 Edinburgh Terrace, Armley, Leeds LS12 3RH.
- 6.2 Subject to the confirmation of the Order, the property will be disposed 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 subsequent claim for compensation that may arise from a claim by 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 and 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 documents¹

- 7.1 Appendix 1 Confidential information
- Appendix 2 Plan to show the property in relation to the Armley area
- Appendix 3 Number of applications on the Leeds Home Register
- Appendix 4 Photographs of the subject property
- Appendix 5 Equality, Diversity, Cohesion and Integration Screening form
- Appendix 6 Disposal process for long term empty private sector properties

¹ 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.