

Report of: Head of Housing Partnerships and Housing Growth

Report to: Director of Environment and Housing

Date: **MARCH 2017**

Subject: Housing Act 1985: Proposed Compulsory Purchase Order

42 LOUIS STREET, CHAPELTOWN, LEEDS LS7 4BN

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

Summary of main issues

1. Part II and Section 17 of the Housing Act 1985 give 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 42 Louis Street, Chapeltown, Leeds LS7 4BN which is located within the Chapeltown area of the Chapel Allerton ward in the constituency of Leeds North East. It is a three bedroomed mid through terrace of traditional brick cavity wall construction built during the inter wars period. The property has been empty for a number of years and is in a semi-derelict condition.
3. Council Tax records indicate a single occupancy but the property is empty after the elderly owner vacated it. Council Tax officers visited the property in May and June 2016 and found it boarded before concluding that it is empty. Officers of the Council's Empty Homes and Loans Team made enquiries with the neighbours who suggest that the property owner is now living with and being cared for by a sibling. The exact date the property became empty and the whereabouts of the owner are unknown.

4. Nottingham District Land Registry records indicate that the property is registered.
5. The property has a market value of £40,000. Repair costs are estimated to be around £36,968.40 inclusive of VAT.

Recommendations

6. It is recommended that the Council seeks to acquire 42 Louis Street, Chapeltown, Leeds LS7 4BN, a residential property, by means of compulsory purchase, as its renovation and reoccupation is unlikely to be achieved without the intervention of the Council. Following its acquisition, the Council subsequently will dispose of the property in line with the agreed disposal mechanism for properties obtained through compulsory purchase (see Appendix 5).

1 Purpose of this report

- 1.1 The report recommends that the Council seeks to exercise its powers under Part II and Section 17 of the Housing Act, 1985 to acquire by means of compulsory purchase the residential property known as 42 Louis Street, Chapeltown, Leeds LS7 4BN. The property has been vacant for several months and is in a very serious state of disrepair. The whereabouts of the elderly owner is unknown but is believed to have gone to live with a sibling.
- 1.2 Once acquired, the property subsequently will be disposed as per the agreed process for disposal of empty properties obtained through compulsory purchase (see Appendix 5).

2 Background information

- 2.1 42 Louis Street, Chapeltown, Leeds LS7 4BN is of a traditional brick built cavity wall construction with a pitched slate covered roof. It was built during the inter wars period and is located within the Chapeltown area of the Chapel Allerton ward which is in the constituency of Leeds North East. (See Appendix 2, plan showing the position of the property in relation to the Chapeltown area).
- 2.2 The accommodation comprises two storeys. There are three bedrooms and a bathroom on the first floor and on the ground floor a living room and a dining room/kitchen. The property has gardens to the front and rear elevations.

3 Main issues

- 3.1 Council Tax records indicate a single occupancy but it is clear that the property is empty, after the elderly owner vacated it. Council Tax officers visited the property in May and June 2016 and found it boarded before concluding that it is indeed empty. Enquiries made by officers of the Council's Empty Homes and Loans Team have established that the property owner is now living with and being cared for by her sister. The sister contacted officers after discovering a formal Notice which had been served by the Council on the owner and fixed to the property. The sister of the owner expressed her annoyance at the Council having served the Notice although she accepted that the property was in a poor state. The sister refused officers the opportunity to speak with the property owner and further refused to disclose their whereabouts. The exact date the property became empty is unknown. It is registered with Nottingham District Land Registry. (See appendix 1: Confidential information).

- 3.2 It is apparent that without the necessary authority to effect a change in ownership the property will remain empty and unimproved and a source for complaint by neighbours, residents and Ward Members.
- 3.3 The property is currently in a state of serious disrepair and although an internal inspection has not been carried out it is apparent that it will contain a number of 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. An assessment indicates that the most satisfactory course of action is the renovation of the property.
- 3.4 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 the Decent Homes Standard, particularly having regard to the property values in the area. However, it will require a program of renovation to include the replacement of the rotten timber window frames, the replacement of the front and rear entrance doors which are rotten, the installation of a full central heating system, a full rewire, a new bathroom suite and kitchen facilities. A section of the brickwork to the rear elevation off-shot shows serious structural movement and cracking. This will need to be taken down and rebuilt. The timber guttering to the front and rear main house and bay roofs are rotten, leaking and misaligned and will need to be renewed. The roof is in a very poor condition with a number of slipped or missing slates and in all probability is leaking. The roof will need replacing. The cement mortar pointing to areas of the front elevation brickwork have perished and will need to be scraped out and repointed. It is likely that the property is suffering from damp and therefore would benefit from the installation of a Silicone Injected Damp Proof Course. The cost of repairs to bring the property to a habitable standard has been estimated to be around £36,968.40 including VAT.
- 3.5 As part of the Council's process of monitoring long empty properties, site visits are made to assess conditions. Officers visited the property in January 2016 and found it boarded and in a derelict condition. A formal notice, under the Building Act 1984, was served on the owner in respect of the timber guttering to the front and rear elevations. These were found to be rotten, leaking and with some sections missing. The Notice was not complied and consequently the Council has had to carry out the work in default of the owner. Additionally, the owner was served with a formal notice under the Town and Country Planning Act 1990 in respect of overgrown gardens and accumulations of refuse. This Notice was complied, although it is uncertain who carried out the work. More recent visits in January 2017, February 2017 and March 2017 confirmed the property to be still vacant and in serious disrepair.
- 3.6 Enforced Sale has been considered but any debt outstanding is considered too low to pursue that option.

- 3.7 The property, in its current state, detracts from the immediate area and has the potential to attract anti-social behaviour and to adversely affect community safety.
- 3.8 Given the neglect of the property over recent years and its derelict condition the proposal is for the Council to compulsory purchase the property. The proceeds of the subsequent sale will be held by the Council for the following seven years pending a legitimate claim of entitlement.
- 3.9 The options available to the Council are to do nothing or to instigate the Compulsory Purchase Order procedures. To not act will lead to the further deterioration of conditions at the property, with consequences as outlined in section 4.6.6 below.
- 3.10 Officers have concluded that the renovation and reoccupation of 42 Louis Street, Chapeltown, Leeds LS7 4BN, is unlikely to be achieved without the intervention of the Council, the most appropriate action being to instigate Compulsory Purchase Order procedures.
- 3.11 Once acquired, it is the intention of the Council to dispose of the property in line with the agreed mechanism for disposal of properties acquired through compulsory purchase (see Appendix 5).

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.2 Ward Members were consulted on 4th January 2017 regarding the proposal to compulsory purchase 42 Louis Street, Chapeltown, Leeds LS7 4BN. There was no objection to the proposal.

4.3 Equality and Diversity / Cohesion and Integration

- 4.3.1 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.

4.4 Council policies and City Priorities

4.4.1 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 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 quality of the environment.
- Improving housing conditions and energy efficiency

4.5 Resources and value for money

4.5.1 The property has been valued at £40,000.

4.5.2 The Compulsory Purchase expenditure will be met from the Leeds Neighbourhood Approach approved fund subject to receiving panel approval.

4.5.3 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 Louis Street.

4.6 Legal Implications, Access to Information and Call In

4.6.1 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.

4.6.2 Scrutiny process is not necessary under the ruling.

4.6.3 Confidential information is listed in Appendix 1

4.7 Risk Management

4.7.1 The property will be acquired compulsorily and this may be challenged in law.

4.7.2 The time difference between acquisition and disposal together with changing market conditions may affect the value of the property, up or down. The risk could be reduced if the process is implemented promptly.

4.7.3 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.

4.7.4 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.

4.7.5 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.

4.7.6 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 Chapeltown 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 Chapeltown area.

5 Conclusions

5.1 42 Louis Street, Chapeltown, Leeds LS7 4BN is in a semi-derelict condition. Nottingham Land Registry records show that the property is registered.

- 5.2 The property is located in the Chapeltown area of the Chapel Allerton ward, 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 significant detrimental effect.
- 5.3 Enforced Sale Procedure is not appropriate as any outstanding debt is considered too low to pursue that course of action. The alternative to Compulsory Purchase Order action would be to leave the property to deteriorate further. It is clear that that is unacceptable.
- 5.4 It is the view of officers that the renovation and reoccupation of 42 Louis Street, Chapeltown, Leeds LS7 4BN is unlikely to be achieved without the intervention of the Council, the most appropriate action being to instigate Compulsory Purchase Order Procedures.
- 5.5 The compulsory purchase expenditure will be met from the Leeds Neighbourhood Approach approved fund subject to receiving panel approval.
- 5.6 Once acquired, it is the intention of the Council to dispose of the property in line with the agreed process for disposal of properties acquired through compulsory purchase (see Appendix 5).

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 42 Louis Street, Chapeltown, Leeds LS7 4BN.
- 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 5).
- 6.3 Authorise the allocation of funds from the Leeds Neighbourhood Approach approved fund for compulsory purchase to meet any claim for compensation that may arise subsequently from a claim by the title holder.
- 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

Appendix 1 Confidential information

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

Appendix 3 Number of applications on the Leeds Homes Register

Appendix 4 Photographs of the subject property

Appendix 5 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.