

Report of HEAD OF STRATEGY AND INVESTMENT
Report to CHIEF OFFICER PROPERTY & CONTRACTS
Date: 7 MARCH 2014
Subject: PROPOSED DEMOLITION AND COMPULSORY PURCHASE ORDER.
3 AND 4 BAWN VALE, LEEDS, LS12 5QZ

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): Farnley and Wortley	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" 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: 1,4,5,7,8	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Summary of main issues

1. In March 2013, a privately owned property at 4 Bawn Vale was subject to an arson attack in which the owner died. The fire damage was so severe, that the property had to be partially demolished by Leeds City Council's Building Control in order to make safe. Relatives of the owner have yet to be traced.
2. The fire also damaged the attached council property, 3 Bawn Vale, to the extent that tenants were re-housed and the property has since remained empty.
3. Two options were considered in relation to the site. Option 1 Refurbishment - to purchase the land at 4 Bawn Vale by means of Compulsory Purchase Order (CPO), complete the demolition of 4 Bawn Vale and carry out necessary remedial works to 3 Bawn Vale to bring back into use. Option 2 New build – to purchase the land at 4 Bawn Vale, by means of CPO, demolish 3 and 4 Bawn Vale and inject the land into the Housing Investment Land Strategy for future redevelopment of two newbuild

properties. The report concludes that Option 1 Refurbishment of 3 Bawn Vale is the most suitable option for the site.

Recommendations

4. It is recommended that approval is given to the proposals in Option 1 which is to purchase land at 4 Bawn Vale by means of Compulsory Purchase Order; complete the demolition of 4 Bawn Vale and carry out the necessary structural and refurbishment works to 3 Bawn Vale in order to bring the property back into use.

1 Purpose of this report

- 1.1 This report seeks approval in principle to the proposals outlined in Option 1 Refurbishment to:-

- Compulsory purchase land at 4 Bawn Vale, Leeds 12 under section 17 of the Housing Act, 1985.
- Complete the demolition of 4 Bawn Vale, Leeds 12 and undertake refurbishment of 3 Bawn Vale, Leeds 12 to bring the property back into use.

2 Background Information

- 2.1 In March 2013, a privately owned property at 4 Bawn Vale was subject to an arson attack in which the owner died. The fire damage was so severe, that the property had to be demolished by Leeds City Council's Building Control section at a cost which is outlined in Appendix 1. Relatives of the owner have yet to be traced.
- 2.2 The fire also damaged the attached council property, 3 Bawn Vale, to the extent that tenants were re-housed and the property has since remained empty as a result of the damage. Appendix 2 shows the property location and Appendix 3 provides a photograph of the site prior to the fire.
- 2.3 3 Bawn Vale is a 4 bedroomed, two storey, semi-detached Caspon property with a tiled mono pitch roof. The external walls are a mixture of timber internal leaf with brick external at ground floor and timber frame with either brick external leaf or tile hanging at first floor level.

- 2.4 The party walls are constructed of two leaves of timber stud walls with lining boards with the cavity filled in mass concrete to act as a fire stop. This fire stop would appear to have prevented the spread of flame through the walls. However, damage has occurred to the roof void and due to the demolition of the adjoining private property, now has a party wall exposed to external elements. Completion of demolition is also required at 4 Bawn Vale to remove the foundation slab.
- 2.5 Appendix 6 provides demand information for similar properties in the area. Bids for 3 and 4 bedroom properties range from 43 to 90 per unit. This indicates that there is demand to live in the neighbourhood and validates the options put forward for consideration.

3 Main issues

- 3.1 The deteriorating condition of the property at 3 Bawn Vale is impacting negatively upon families living in the neighbourhood. Two options have been considered for the site and a high level cost benefit analysis for each option has been carried out, see Appendix 1. Both options include a provision for acquisition of the land by means of CPO at 4 Bawn Vale. Details of the valuation of the land are included in Appendix 1 and the full valuation report is attached as Appendix 7. The monies will be held in a holding account until any surviving relatives are traced. It is intended to attempt to partially recoup our costs from these monies in relation to the demolition and CPO costs incurred to date.
- 3.2 Option 1 – Refurbishment includes for the CPO of land and completion of the demolition at 4 Bawn Vale. Work to 3 Bawn Vale comprises of the construction of a gable end wall to replace the original party wall, roof repairs and internal works. It is also proposed to carry out any necessary structural repairs and external insulated render. The plot at 4 Bawn Vale would be relatively small for future redevelopment so it is proposed to top soil and seed and explore the possibilities of incorporating the land in the gardens of 3 and 5 Bawn Vale. This is the least expensive option in terms of capital outlay but would give a positive return on investment by year 25.
- 3.3 Option 2 – New build assumes that the land is suitable for development (however this will not be determined until May 2014) and that the properties are built by Leeds City Council which would generate rental income as opposed to another housing

provider which would not. This is the more expensive option and a positive return on investment would not be achievable over a 30 year period.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.2 Councillor John Hardy, Councillor Anne Blackburn and Councillor John Hardy have been consulted about the proposals. Concerns were raised by Councillor John Hardy about the loss of 1 x LCC rented unit at number 3 Bawn Vale and the high demolition costs proposed in Option 2 which is due to the sloping site making demolition more labour intensive.

4.1.2 Councillor Hardy has advised that he supports the proposed recommendation to refurbish 3 Bawn Vale. No response has been received about the proposals from Councillor Ann Blackburn or Councillor David Blackburn at the time of writing.

4.1.3. Conversations have taken place with 30 heads of households living in the neighbourhood about their views regarding the 2 options. Responses indicated:

- Option 1, CPO and refurbish, was viewed as positive, but there were concerns about refuse dumping on land at number 4.
- Option 2, CPO, demolition and new build was viewed as alleviating the immediate problem of an empty house deteriorating in condition. However, they were unsure not knowing about when and what kind of housing replacement would be delivered on site, or if any new housing could be provided.

4.2 Equality and Diversity / Cohesion and Integration. (EDCI)

4.2.1 Due regard has been given to equality and diversity and an Equality Impact Screening has been completed and is included with the background papers to this report as Appendix 9. No negative impact from the proposals have been identified which could affect different equality characteristics; likely public concerns about the proposal; council activities or employment practices or unlawful discrimination and equality of opportunity.

4.3 Council policies and City Priorities

4.3.1 The proposal will meet the following headline indicators:

- Increasing the number of long term empty properties brought back into use.
- Increasing the number of properties which achieved the decency standard.

4.4 Resources and value for money

4.4.1 The cost of the agreed option will be met from the Housing Revenue Account and provision has been made in the 2014/15 Capital Programme.

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 for respect of private family life, home and right to peaceful enjoyment of possession.

4.5.2 This report recommends action that strikes a clear balance between the public interest in purchasing of the land at 4 Bawn Vale and the interference with private rights, which will arise if a CPO is made, confirmed and implemented.

4.5.3 There is a compelling case in the public interest for the acquisition of the land, and that this outweighs the loss that will be suffered by the remaining relative(s) if traced.

4.5.4 Recommendations follow existing legislative provisions in respect of making and confirming a CPO, the payment of compensation where applicable. As such, the Council considers this to be compatible with the convention and no scrutiny process is needed under the ruling.

4.6 Risk Management

4.6.1 The land will be acquired compulsorily and this may be challenged in law.

4.6.2 Consequences of not going ahead with either of the options illustrated in table 1 will:

- Leave a dangerous property empty that is a risk to local community safety.

- May decrease the market value of surrounding housing stock.
- To leave the property empty may attract vandalism and unnecessary security costs.
- Left unabated, the current situation will attract crime, anti-social behaviour in the form of illegal refuse dumping and drug taking.
- If action to remediate the situation is not planned expediently, then adverse publicity may occur and impact negatively upon LCC's reputation to effectively deal with empty properties.
- Failure to meet departmental objectives in which the council aims to work together with key partners to improve conditions where people live that are clean, safe, well maintained and sustainable for the future.

5 Conclusions

- 5.2 Option 1 Refurbishment provides the most favourable return on investment and is the preferred option of residents in the area. This option could be delivered more expediently than Option 2 and will not result in a reduction of housing stock which was a concern of one Ward Member. This is the preferred option of the two.
- 5.3 Option 2 New build is the more expensive option with a negative return on investment even after 30 years. It is also unknown at present if the site would be suitable for development.

6 Recommendations

6.1. The Chief Officer Property and Contracts is recommended to approve the proposals outlined in Option 1 Refurbishment:-

- Purchase the land at 4 Bawn Vale by means of CPO action, under Section 17 of the Housing Act 1985.
- Complete the demolition of 4 Bawn Vale and undertake refurbishment work to 3 Bawn Vale, Leeds 12.

Background documents¹

Appendix 1: Confidential 3 & 4 Bawn Vale High Level Cost Benefit Summary

Appendix 2: Location plan Bawn Vale

Appendix 3: Photograph of 3 & 4 Bawn Vale.

Appendix 4: Confidential - Potential CPO Acquisition costs

Appendix 5: Confidential - High Cost Void Schedule/Costs 3 Bawn Vale

Appendix 6: Demand profile Bawn Vale area

Appendix 7: Confidential - Land valuation at 4 Bawn Vale

Appendix 8: Confidential - Demolition schedule and cost quote 3 & 4 Bawn Vale.

Appendix 9: Equality, Diversity, Cohesion and Integration Screening form

Appendix 10: Delegated Decision Notification

¹ The background documents listed in this section are available for inspection on request for a period of four years following the date of the relevant meeting. Accordingly this list does not include documents containing exempt or confidential information, or any published works. Requests to inspect any background documents should be submitted to the report author.