



EXECUTIVE MEMBER DECISION

REPORT OF:	Executive Member for Growth and Development
LEAD OFFICERS:	Strategic Director of Growth & Development
DATE:	Friday, 8 November 2024

PORTFOLIO/S AFFECTED:	Growth and Development	Finance
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WARD/S AFFECTED:	Darwen East;
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SUBJECT: EMD- CPO of individual property at 5 London Terrace, Darwen

1. EXECUTIVE SUMMARY

To seek approval to initiate compulsory purchase action on the above privately owned property as part of the Council's Empty Property Strategy to reduce the number of long-term empty properties and provide much needed accommodation for the Borough.

2. RECOMMENDATIONS

That the Executive Member:

Upon being satisfied that:

- a) it would contribute to the economic, social and environmental well-being of the borough.
- b) there is a compelling case in the public interest as the interference with Human Rights involved is proportionate in the interests of bringing empty properties back into use.
- c) sufficient funds exist for carrying the resolution into effect.
- d) no impediments exist to the implementation of the scheme to redevelop the property (subject to the making of the order) and there is a reasonable prospect of its implementation, should the order be made.
- e) the whole of the legal estate could not be acquired by agreement.

2.1 Authorise the Strategic Director for Growth and Development, in conjunction with the Deputy Director for Legal and Governance to prepare and make a Compulsory Purchase Order (CPO) under section 17 of the Housing Act 1985 and the Acquisition of Land Act 1981, for the purpose of acquiring the property to bring about its re-use.

2.2 Authorise the Strategic Director for Growth and Development to negotiate terms for the acquisition by agreement of any outstanding interests in the land within the Order prior to its confirmation.

2.3 Authorise the Deputy Director for Legal and Governance (in the event that the Secretary of State notifies the Council that it has been given the power to confirm the Order) to confirm the order if he is satisfied that it is appropriate to do so.

2.4 Authorise the Strategic Director for Growth and Development to approve agreements with the land owner setting out the terms of withdrawal of objections to the Order (including the power to defer

implementation post confirmation) and in consultation with the Deputy Director for Legal and Governance to make deletions from and/or minor amendments and modifications to the proposed Order and Order plans.

3. BACKGROUND

- 3.1 As part of the Council's commitment to bringing empty properties back into use, this property has been evaluated using the priority scoring matrix (Appendix 1). It scores highly due to the fact that the property has been empty since Dec 2018 and is currently in a poor state of repair.
- 3.2 The proposed CPO site is outlined in red on the attached plan (Appendix 2).
- 3.3 This garden fronted mid-terraced house is situated in the Darwen East ward of the Borough and is set in a residential street consisting of similar terraced stone fronted homes with pitched slate roofs. The property comprises two living rooms plus a kitchen annexe with a flat roof. At first floor level it is anticipated that there are two bedrooms plus a bathroom. The first floor has not been internally inspected but this assumption is based upon internal inspections of similar properties on the same street. The surrounding area is residential in nature with most of the housing comprising many rows of similar pre-1919 terraced housing.
- 3.4 The property has stood empty for almost 6 years and is showing signs of disrepair. The external condition is poor and neglected, especially at the rear, with render coming off the kitchen annexe, holes in the annexe wall and mould growth on the external walls. The rear yard has been boarded over and covered with aluminium sheeting at some time in the past, which has been ripped down allowing easy access to the rear of the yard.
- 3.5 The property is subject of frequent complaints regarding its condition from both local Councillors and local residents, including.
- The general poor condition and appearance of the building
 - The fact the property continues to remain empty.
 - Anti-social behaviour at the rear of the property.
- 3.6 Substantial efforts have been made to contact the owner to encourage him to bring the property back into use. The council has tried to correspond with the owner since 2019 but received no response to numerous letters sent to the contact address however, following a claim of occupation at the property it was found that the owner was living at a new address. The claim of occupation was deemed to be false and correspondence was forwarded to the owner at his new contact address. Despite further attempts to open discussions with the owner, no response has been received and the property continues to remain in a poor condition which is having a negative impact on the local neighbourhood.
- 3.7 It is therefore recommended that approval to make and submit a CPO to the Secretary of State for Housing, Communities and Local Government is given as a last resort, to ensure that this property is satisfactorily refurbished and brought back into use in a timely manner.

4. KEY ISSUES & RISKS

- 4.1 Tackling empty properties supports the key priorities in the Council's Corporate Plan, Local Plan and the Empty Property Strategy.
- 4.2 There are currently around 2,711 empty properties (October 2024) accounting for 4.2% of the total housing stock in the Borough, of which 1,756 (2.7%) are classified as empty and

unfurnished with 921 (1.4%) of those homes classified as long-term empty homes (over 6 months) with 295 (0.46%) of those being empty for over 2 years. Whilst most properties will only be empty for a short time, others have been empty for a long time and need to have action taken to remedy this.

- 4.3 Continued efforts are required to ensure that properties are empty for a minimum period and the Council's message that long term empty properties will not be tolerated continues to be communicated.
- 4.4 There are currently no grant funding opportunities available to support empty homes refurbishment (previous HCA initiatives ended in March 2015). Direct support and signposting is offered to help owners to bring their properties back into use. Where owners are unwilling or unable to bring their properties back into use, enforcement action is considered to be the most appropriate course of action to be taken.
- 4.5 Engagement with the owners of the property has been exhausted and compulsory purchase action is now considered to be the only course of action left to the Council to ensure that the property is brought back into use.
- 4.6 Empty properties in the borough can have negative environmental impacts on neighbourhoods in addition to being a wasted housing resource. At neighbourhood level, empty properties attract fly tipping, crime, arson and nuisance. It is a priority to tackle these problems through enforcement as part of the wider effort to improve neighbourhoods and prevent blight.
- 4.7 Bringing empty properties back into use creates extra accommodation for rent or sale and could also generate additional income for the Council via New Homes Bonus (NHB) payment.
- 4.8 The costs will be funded from the Neighbourhood Intervention Fund which is part of the Council's Housing Capital Programme; there are sufficient uncommitted funds available within the programme to support the making of this individual CPO.
- 4.9 Once acquired by CPO, the property will be offered for sale via a local estate agent to the highest bidder with preference given to buyers who intend to owner/occupy the property once renovated. A building licence will be granted to the buyer and formal sale is completed once the property has been renovated to the Council's required standard. This approach also encourages the use of local labour and local spend.
- 4.10 To date, 31 properties have been acquired either by purchase by agreement or compulsory purchase through the Neighbourhood Intervention Project. This has facilitated the renovation and re-occupation of some of the most problematic properties across the Borough and helped to reduce anti-social and criminal activities, which the empty properties attract

5. HUMAN RIGHTS IMPLICATIONS

- 5.1 A Compulsory Purchase Order should only be made where there is a compelling case in the public interest. Members should be sure that the purposes for which it is making a CPO sufficiently consider the human rights of those with an interest in the land affected. In particular, to the provisions of Article 1 of the First Protocol to the European Convention on Human Rights (which provides that every natural or legal person is entitled to peaceful enjoyment of his possessions) and Article 8 of the European Convention on Human Rights (which provides every person is entitled to respect for his home and private life).
- 5.2 Notwithstanding the acknowledged impact that the CPO will have, with regard to some aspects of the Human Rights Act 1998, the benefits identified in this report present a

compelling case in the public interest for making the proposed CPO and compensation will be payable under the statutory compensation code.

- 5.3 The making of the proposed CPO is in the public interest because: -
- It will promote the social, environmental and economic well-being of the area and increase residents' confidence in the area.
 - It will create extra accommodation for sale or rent.
 - It will reduce the negative environmental impacts on the neighbourhood as empty properties attract fly-tipping, crime arson and nuisance.

6. POLICY IMPLICATIONS

- 6.1 The Corporate Plan prioritises new house building and improvement of conditions in older housing. Bringing empty properties back into use is an alternative means of increasing supply and also improves housing conditions and is, therefore, relevant to both of the key corporate objectives.
- 6.2 Bringing housing back into use would increase housing supply in the borough. Properties may be occupied by owner/occupiers or be available as private rented accommodation. It would also free the local community of the problems created by properties standing empty and derelict for such a long time.

7. FINANCIAL IMPLICATIONS

- 7.1 The funding for Orders made pursuant to section 17 of the Housing Act 1985 is available in the Neighbourhood Intervention Fund which is part of the Council's Housing Capital Programme.
- 7.2 The costs will be funded from the Neighbourhood Intervention Fund which is part of the Council's Housing Capital Programme; there are sufficient uncommitted funds available within the programme to support the making of this individual CPO.
- 7.3 Some revenue budget will be required to fund the CPO action and subsequent sale of the property. The amount required will be approximately £3,000 for the appropriate service of the required legal notices and £1,000 for the estate agent's fees. The total figure of £4,000 will be funded from within existing budgets.
- 7.4 Capital receipts from sale of assets funded by the Neighbourhood Intervention Fund are recycled back into the project so that further CPO's can be undertaken as and when required.

8. LEGAL IMPLICATIONS

- 8.1 Under the provisions of section 17 of the Housing Act 1985, the local authority may acquire houses or buildings which may be suitable as houses, together with any land occupied with the houses or buildings. The power is available even if the ownership of the property is to be transferred to someone else.
- 8.2 The Council also needs to consider the Guidance on Compulsory Purchase Process and the Crichel Down Rules published by the Ministry of Housing Communities & Local Government.
- 8.2 Legal challenges to compulsory purchase are always a possibility and can lead to a Public Local Inquiry which would incur additional costs for the Council. A CPO on an unoccupied single property is likely to have a very limited number of possible statutory objectors, although

in this case the registered owner is known. The owner will be served with the relevant statutory notices in accordance with the Acquisition of land Act 1981.

8.3 The making of a CPO does not prevent negotiations with any person holding an interest in land affected by the CPO as these negotiations can proceed in parallel with the statutory process. Indeed, it is advised that where possible, negotiations can continue throughout the process even up to confirmation of the Order.

9. RESOURCE IMPLICATIONS

- 9.1 Resources needed to make the CPO and serve the relevant statutory notices will be provided by the Empty Properties Team. Some support will be required from the legal team which will increase if the CPO action results in a Public Local Inquiry.
- 9.2 Support will also be required from an external RICS surveyor to carry out a valuation of the property concerned and conduct negotiations on behalf of the Council with the owner to agree compensation.

10. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

Option 1 Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2 In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. (*insert EIA link here*)

Option 3 In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. (*insert EIA attachment*)

11. CONSULTATIONS

- 11.1 Resources needed to make the CPO and serve the relevant statutory notices will be provided by the Empty Properties Team. Some support will be required from the legal team which will increase if the CPO action results in a Public Local Inquiry.
- 11.2 Support will also be required from an external RICS surveyor to carry out a valuation of the property concerned and conduct negotiations on behalf of the Council with the owner to agree compensation.

12. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

13. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded and published if applicable.

VERSION:	0.01
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CONTACT OFFICER:	PMO Growth
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DATE:	28 th October 2024
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BACKGROUND PAPER:	Empty Properties Strategy
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