

CABINET

DATE	17 th January 2024
REPORT OF	Councillor Philip Jackson – Leader of the Council and Portfolio Holder for Economy, Net Zero, Skills and Housing
RESPONSIBLE OFFICER	Sharon Wroot Executive Director Place and Resources
SUBJECT	Empty Properties – Compulsory Purchase Order
STATUS	OPEN
FORWARD PLAN REF NO.	CB 01/24/05

CONTRIBUTION TO OUR AIMS

Bringing problematic empty properties and derelict sites back into use across the Borough, supports the Council's commitment to regenerate areas, which have been blighted for many years. By improving neighbourhoods, the Council can contribute towards ensuring North East Lincolnshire is a better place to live, work, invest and visit.

Pursuing robust enforcement action where property owners fail to maintain their properties, demonstrates that North East Lincolnshire Council is committed to taking reasonable and proportionate enforcement as identified as a priority within the Council Plan 2022.

Bringing empty properties back into use has been identified as a priority for the Council. The Empty Property Strategy 2020-23 identifies the use of Compulsory Purchase Orders (CPO) as a tool available to officers where landlords are unable or unwilling to return properties back into use and are refusing to consider/deliver other options.

EXECUTIVE SUMMARY

On the 8th of July 2020, Cabinet approved an Empty Homes Strategy to address the problem of empty properties in the Borough, including the use of CPOs, to tackle problematic long-term empty properties, where the owners have failed to co-operate in bringing the properties back into use.

This report seeks authority for the Council to pursue CPO formal action to tackle three problematic empty properties, where all other informal and formal options have failed.

Following the acquisition of the three properties, it is proposed an options appraisal will take place with a view to use the properties to provide move on accommodation, providing much needed accommodation for our Homeless clients. In addition, properties could be sold to charitable or community housing

organisations who provide sustainable/quality housing management with rents set in line with the Local Housing Allowance or sold on the open market. Funding is already allocated within the Empty Homes Budget. All outstanding debts owed to the Council will be recovered through the proceeds of the sale of the properties.

RECOMMENDATIONS

It is recommended that Cabinet.

- 1) Approves the use of Compulsory Purchase Orders on 289 Yarborough Road Grimsby, 184 Rutland Street Grimsby and 453b Weelsby Street, Grimsby.
- 2) Authorises the Executive Director Place and Resources to use funding allocated within the existing Empty Homes Capital Budget to fund legal, professional and acquisition costs.
- 3) Delegates authority to the Executive Director Place and Resources in consultation with the Leader and Portfolio Holder for Economy, Net Zero, Skills and Housing to commence and implement all formalities in connection with the exercise of compulsory purchase powers and all actions reasonably ancillary thereto and thereafter deal with subsequent disposal or refurbishment or other use as shall be at the Executive Director's discretion and being subject to internal governance processes with a view to bringing the properties back into use.
- 4) Authorises the Assistant Director Law and Governance (Monitoring Officer) to execute and complete all requisite legal documentation.

REASONS FOR DECISION

The properties identified in this report have a long history of problems. The owners have either failed to engage with the Council or have been unwilling to take action to bring the properties back into use. In each case it is felt that the only remaining action is to force a change of ownership and the use of CPO which affords the Council the greatest control in determining the future outcomes for the property.

1. BACKGROUND AND ISSUES

- 1.1 The Housing Act 1985 and the Town and Country Planning Act 1990, provides powers for local Authorities to use CPOs to tackle long term empty properties where the owners have failed or are unwilling to bring properties back into use.
- 1.2 In order to pursue CPO, the Council must demonstrate that all other options for encouraging the owners to improve the property, occupy, to let or sell the property have been exhausted. This leaves CPO the only option to provide clear title required to force a change of ownership and achieve a positive outcome for each of the properties referred to in this report.
- 1.3 The following properties are recommended for Compulsory Purchase: -
 - 1.3.1 **Property 1: 289 Yarborough Road, Grimsby** – This property comprises an end terrace house with gardens to the rear. The property

has been registered as vacant since January 2019, whilst the property is believed to have been unoccupied for several years prior to this. The property is dilapidated, the roof and windows are no longer watertight and has severely overgrown gardens which are impacting the neighbouring properties. The property has been subject to repeated ASB issues over the past 18 months. Various attempts to trace the owner have been unsuccessful therefore there is little option but to consider CPO. As an indication, a local chartered surveyor has valued the property at £68,000. There is currently a total of £8,454.43 outstanding as Council Tax debt.

1.3.2 Property 2: 184 Rutland Street, Grimsby. – The property is a traditional mid terraced property which has been registered as vacant since August 2017. The property has been attracting ASB and has been broken into on several occasions and has require securing in accordance with the Local Government and Miscellaneous Provisions Act. Attempts at tracing the owner was unsuccessful and it is believed that the owner has left the country. Therefore, the Council have no option but CPO. As an indication a local chartered surveyor has valued the property at £40,000. There is currently a total of £8,486.24 outstanding as Council Tax debt.

1.3.3 Property 3: 453b Weelsby Street, Grimsby - The property is an end-terraced maisonette property which has been empty since February 2008. It has a highly negative impact both visually and in terms of the number of complaints received whilst vacant. The property has been vandalised on several occasions, which has left the property in a significant state of disrepair. Over a period, the Council have served several notices on the landlord which they have failed to comply with, and works have been carried out in default. The property is subject to a longstanding and complex probate issue and continues to deteriorate in appearance and no attempt has been made to bring the property back into use. The Council has no other option than take CPO action to bring about a change of ownership. As an indication, a local chartered surveyor has valued the property at £30,000 and there is currently a total of £17,342.81 outstanding as Council Tax debt.

2. RISKS AND OPPORTUNITIES

2.1 Crime and Disorder – Long term empty homes often pose a problem in a neighbourhood attracting anti-social behaviour. This could include for example unauthorised squatting, criminal damage to the property and fly-tipping which can result in significant environmental impacts on the neighbouring properties.

2.2 Human Rights – The court recognise that English CPO laws and procedures comply with the European Convention on Human Rights. The Council in pursuing this course of action, has considered the balance to be struck between individual rights and the wider public interest. Interference with human rights, if any, is justified in terms of the benefits that the actions would have for the community as a whole.

2.3 **Equality & Diversity** – The equality and diversity assessment form has been completed Ref No: NELC562710310.

2.4 **Value for Money** – The value of these properties is determined by an independent residential valuation. The compulsory purchase of these properties would see the properties disposed of, as part of the future Council's strategy to improve conditions in housing standards and management and to provide much needed housing for move on accommodation for homeless clients. A change of ownership will reduce the financial burdens on other teams and services such as Environmental Protection, Housing Enforcement Team, Police and Fire Service.

2.5 **The impact on the social, economic and environmental well-being of the borough** – Empty properties have a detrimental impact on neighbourhoods. They are a wasted resource with the potential to adversely affect the local housing markets and prevent regeneration. This course of action will have a positive impact by bringing empty properties to the market for improvement and occupation or to enable area regeneration. Bringing empty long-term properties back into occupation increases the local population and thereby contributes towards creating conditions for local businesses to grow. The success of local businesses acts as a catalyst in attracting further investment and with-it economic growth.

3. OTHER OPTIONS CONSIDERED

3.1 **Purchase by Agreement** – Initial discussions and investigations with the owner to voluntarily acquire 453b Weelsby Street, Grimsby have highlighted likely issues with outstanding charges so the purchase by agreement is likely to be unsuccessful. Attempts to trace the owners 184 Rutland Street and 289 Yarborough have been unsuccessful. CPOs are being sought as a last resort.

3.2 **Improvement Notices** – Serving improvement notices through the Environmental Protection Act 1990 and Town and Country Planning Act 1990 will only improve the visual impact of the properties. As the owners have failed to engage with notices previously, we do not consider this to be a recommended cause of action. Opting for continuing with the current action would lead to further deterioration of the properties, blight the neighbourhood, and continue to attract anti-social behaviour/criminal activity.

3.3 **Do Nothing** – To do nothing would mean that the properties continue to remain empty risking continued anti-social behaviour, criminal activity and further deterioration of the properties causing damage to neighbouring properties.

4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS

The CPO of these long-term empty properties will generate positive reputational benefits for the Council.

It will widen the range of enforcement measures undertaken by the Council to reduce the number of empty properties within North East Lincolnshire.

There is no need for the Council's communications service to issue any

information requirements in respect of this proposal.

5. FINANCIAL CONSIDERATIONS

It is proposed that the cost of the CPO's will be funded by the existing Empty Homes Budget.

6. CHILDREN AND YOUNG PEOPLE IMPLICATIONS

There are no direct implications on Children and Young People.

7. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

This project will directly improve the environment for the communities living in the area. The CPO of three properties gives the Council the capacity to improve the appearance of the streets, remove health hazards and make it a safer environment to live in. Once the properties are renovated the energy efficiency of the properties will be dramatically improved and will offer good standard of accommodation for vulnerable residents of North East Lincolnshire.

8. CONSULTATION WITH SCRUTINY

No consultation has taken place with Scrutiny at this stage.

9. FINANCIAL IMPLICATIONS

There are no significant financial implications arising from the report with the cost of CPOs being funded from the existing Empty Homes Budget. The potential to utilise the accommodation for our Homeless clients provides an opportunity to deliver a more efficient and cost effective service in this area.

10. LEGAL IMPLICATIONS

10.1. Government Advice (ODPM Circular 06/2004) states that bodies possessing compulsory purchase powers are encouraged to use them proactively wherever appropriate to ensure real gains are brought to residents and the business community without delay.

10.2. The relevant legislative power to acquire properties compulsorily states that "a local authority may acquire houses or a building which may be made suitable as houses together with any land occupied with the house or building (section 17(1)(b) Housing Act 1985).

10.3 It is established that the power extends to the acquisition for improvement and to secure repair of vacant unfit housing.

10.4. The council, having acquired the properties compulsorily, will need to bring them back into use. In the event of a sale by the council, appropriate contractual conditions would be imposed requiring the properties to be made into habitable condition and brought back into use.

- 10.5. In terms of the application of the Human Rights Act, Cabinet is advised that:
- 10.5.1. Article 1 protects the rights of everyone to the peaceful enjoyment of their possessions. No person can be deprived of their possession except in the public interest and subject to the relevant national and international law; and.
 - 10.5.2. Article 8 protects private and family life, the home and correspondence. No public authority can interfere with this interest except if it is in accordance with the law and is necessary in the interests of national security, public safety or the economic well-being of the Borough.
- 10.6 Cabinet is required to balance whether the making and potential exercise of the CPO's sought is compatible with the European Convention on Human Rights. In that respect, Cabinet may conclude that there is a compelling case in the public interest for a CPO.
- 10.7 The CPO will follow existing legislative procedures and all parties will have the right to object to the CPO and attend any public inquiry arranged by the Secretary of State. Parties not included in the CPO may be afforded that right if the inquiry inspector agrees. The decision of the Secretary of State can be challenged by way of proceedings, following judicial review procedures. The Land Owners will receive compensation based on the CPO compensation code principles and should the quantum of compensation be disputed the matter can be referred to the Lands Tribunal for determination. The Courts have held that this framework complies with the Convention and as such a decision to proceed with the recommendation is compatible with the Human Rights Act.

11. HUMAN RESOURCES IMPLICATIONS

There are no direct HR implications.

12. WARD IMPLICATIONS

This proposal directly impacts specific properties in the East Marsh Ward and Yarborough Ward.

13. BACKGROUND PAPERS

An equality and diversity assessment form Ref No: NELC562710310.

14. CONTACT OFFICER(S)

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