

## REPORT TO EXECUTIVE



<b>DATE</b>	<b>23<sup>rd</sup> September 2008</b>
<b>PORTFOLIO</b>	<b>Regeneration and Economic Development</b>
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## Vacant Property Initiative

## PURPOSE

1. To seek approval to make the Compulsory Purchase Order (CPO) for a vacant property in the private sector.
2. To dispose of the property in accordance with the Council's Disposal of Empty Dwellings Policy.
3. To tender the renovation works in accordance with Standing Order SOC16 and for the power to accept the tender to be delegated to the Head of Property Consultancy.

## RECOMMENDATION

4. That the Executive approve in pursuance of the powers obtained under the Section 17 of the Housing Act 1985 (as amended) to make the following compulsory purchase order for the purpose of renovation and re-sale by the most appropriate method:  
  
The Burnley (155 Manchester Road Burnley) Compulsory Purchase Order 2008
5. That the Head of Property Consultancy be authorised to agree terms for acquisition of the property and to re-sell the property in accordance with the Disposal of Empty Dwellings Policy.
6. That the Head of Property Consultancy be authorised to acquire the property in this report by agreement as an alternative to compulsory purchase if terms can be agreed with the owner.
7. That the Head of People and Law be authorised to; take all necessary steps to secure the making, confirmation and implementation of the Compulsory Purchase Order, including the publication and service of all notices, and the presentation of the Council's case at any Public Inquiry; approve agreements with land owners for the withdrawal of objections to the Order and take all necessary steps to acquire interests in land within the Compulsory Purchase Order by agreement.
8. That the Executive authorises the tendering of the renovation works when the estimated cost of the works is in excess of £50,000 in accordance with Standing Order SOC16 and

delegates power to accept the tender to the Head of Property Consultancy.

9. That the Executive approves that the proceeds from the sale of the property be recycled back in to the Vacant Property Initiative for further acquisitions and renovations.

## REASONS FOR RECOMMENDATION

10. The owner of this property has been contacted on numerous occasions since September 2003. Despite several promises to renovate the property, no substantial works have been carried out at the property and it remains in a very poor condition both internally and externally. The Compulsory Purchase, renovation and re-sale of this property will enable it to be brought back into housing use.
11. This property has been empty for approximately 6 years and is a cause of repeated complaints from neighbours. This vacant property is a detriment to the neighbourhood as it continues to attract, vandals and fly tipping.

## SUMMARY OF KEY POINTS

12. The Vacant Property initiative is used to tackle long-term vacant property and facilitate the re-housing of residents affected by the council's clearance programme where possible. The initiative identifies property in sustainable areas that have been vacant for a long period of time and are causing problems for neighbouring property and local residents.

This project has been identified as the most appropriate way of intervening to stabilise areas of the housing market that have suffered from long term empty property by introducing owner occupiers to move into them. The scale of the situation in Burnley highlights that the private sector is not sufficient to tackle the problem. At present there are approximately 290 properties in Burnley that have been vacant for three years or more, with over 100 properties being vacant for more than six years.

13. Some intervention is necessary to tackle vacant properties or they will not be brought back in to use. The consequences of this are increased instances of vandalism, arson, fly tipping and anti social behaviour.
14. The Statement of Reasons is available in the Members Room and is not attached to this report, but it refers to the Compulsory Purchase Order (CPO). A map of the CPO property, 155 Manchester Road Burnley, is attached as Appendix A.
15. The property remains boarded and is in a deteriorating condition both internally and externally.
16. The owner of this property has been contacted a number of times and to date no measures have been taken to bring the property back into use. The property has been the cause of complaints from neighbours and is clearly causing those who live in close proximity to the property some significant concern.
17. Attempts have been made to encouraged the owner to enter into negotiations with the

Council for the acquisition of the property, to date these negotiations have not started.

18. If the owner does not come forward to receive their market value compensation, the General Vesting Declaration procedure will be followed and payment will be made in to court. This will ensure allocated budgets are defrayed. After a period of 12 years, if the owner has not come forward to claim payment, the council can request the money back from the courts.
19. In addition to this proposed CPO, the Vacant Property Team continues to work with many other owners of vacant property across the borough to ensure they are brought back in to use. During 2008/09 the team are aiming to bring 55 properties back in to use.

## **FINANCIAL IMPLICATIONS AND BUDGET PROVISION**

20. It is estimated that the acquisition, renovation and re-sale of the property above will cost in the region of £110,000. This is the gross cost, there is expected to be a capital receipt from the sale of this property, however, this could be lower than the purchase price and renovation costs paid, particularly in light of the effects of the credit crunch and the current down turn in the housing market.
21. The proposed expenditure on the acquisition and renovation of this property can be met from Housing Capital Grant financing for 2008/09. The proceeds of the sales, with members' authorisation, will be recycled back in to the Vacant Property Initiative to fund further acquisitions and renovations.

## **POLICY IMPLICATIONS**

22. Overall, the proposed action will help to achieve the Council's strategic plan of "People, Places, Prosperity and Performance". Specifically dealing with empty homes will contribute to achieving "Higher quality housing and neighbourhoods", "Revitalised communities and balanced housing markets" and help ensure that "Burnley is known as an alternative destination for living, working and leisure based on affordable high quality housing and workspace with a wide leisure and cultural offer". The acquisition and renovation of the vacant property will enable the Council to bring them back into use, which will improve the environment for residents in the vicinity of the vacant property by reducing the potential for crime and anti-social behaviour.
23. An objective of the Housing Strategy 2006-2009 is to improve housing conditions and the local environment. The strategy recognises that the Vacant Property Initiative has a role to play in this by reducing the number of long-term vacant property in the Borough, and renovating them to the Decent Homes Standard.
24. The Sustainable Community Strategy states that in three years from now we will have "Intervened to reduce the number of empty homes. Enforcement action will be taken where appropriate, and an increasing number of homes will have been brought back into use."
25. In terms of Human rights Act implications, Government advice is that local authorities must strike a fair balance between the demands of the community and the need to protect individual's fundamental rights. In considering this balance, one of the issues that a court

would look for is whether compensation will be payable. The level of compensation is of course negotiable between the Council and the property owner's Valuer. In addition, individual rights are protected by the statutory objection and inquiry procedure.

#### **DETAILS OF CONSULTATION**

26. None.

#### **BACKGROUND PAPERS**

27. Statement of Reasons.

#### **FURTHER INFORMATION**

**PLEASE CONTACT:**

**John Killion, Project Officer**

**ALSO:**

**Clare Jackson, Assistant Housing Renewal  
Manager**

[Appx 1](#)