Report for:	Cabinet 18 June 2019
Title:	Request to Compulsory Purchase two empty houses - 44 Cobham Road N22 and 29 Fairfield Road N8
Report authorised by :	Stephen McDonnell
Lead Officer:	Glayne Russell (Senior Environmental Health Officer) Housing Improvement Team 0208 489 5252
Ward(s) affected:	Noel Park & Crouch End

#### Report for Key/ Non Key Decision: Key decision

# 1. Describe the issue under consideration

- 1.1 There are two main types of empty home; transactional empty homes and long term empty homes. Transactional empty homes are generally empty for up to 6 months and are usually empty due to a change in ownership, they are part of the normal cycle of people buying and selling property.
- 1.2 A long term empty home as defined by Government and Local Authorities (GLA) & the Ministry for Housing Communities and Local Government (MHCLG) is one that is empty for longer than 6 months and is inactive on the housing market. In some instances a property may be empty or appear empty but is in fact occupied. Reasons for this could be that it is someone's second home, planning permission is being sought or the owner is receiving personal care, temporarily elsewhere.
- 1.3 A procedure is followed for empty homes which involves early informal intervention, followed by formal communication (if the owner can be identified). Enforcement and the use of Compulsory Purchase Orders (CPO) are used as a last resort. If CPO is agreed by Cabinet then the Secretary of State has final approval on the issuing of the Order.
- 1.4 Approval is sought from Cabinet to present to the Secreatry of State the case to CPO 44 Cobham Road N22 and 29 Fairfield Road N8. If the Secretary of State agrees, an Order will be issued, the properties / land will be purchased and then sold on the open market.
- 1.5 44 Cobham Road N22 is a house which has been empty for 15 years since the death of the owner. This property has been squatted on several occasions and is known to the Police due to the address being used by a criminal gang. (see appendix 1 for plan of property)



- 1.6 29 Fairfield Road N8 is a single storey studio built on land acquired from the rear garden of a property on Ferme Park Road N8. It has been empty for at least 15 years and is in severe disrepair. The Council has no current address for the owner, the last communication with him was via Council Tax in 2015 to say he had not been to the property for over 10 years. (see appendix 1 for plan of property)
- 1.7 The Council Officer responsible for empty homes has been pursuing the beneficiaries of 44 Cobham road for 6 years and the owner of 29 Fairfield Road N8 for 8 years. The Council has now exhausted all forms of interventions and enforcement proceedings.
- 1.8 Capital funding is available for the purchase of empty homes that have been given approval for CPO to be issued.

# 2. Cabinet Member Introduction

- 2.1 The need for housing accommodation in London is reaching crisis point. Competing demands for a reduced supply is creating escalating rents which is making it difficult for tenants / housing providers to obtain suitable accommodation.
- 2.2 It is therefore unacceptable within this market to allow private sector homes to remain empty with no plan for improvement and timescales for occupation. The authority has made every effort to work with the owners of the empty homes listed within this report but have failed to obtain a satisfactory response.
- 2.3 The authority is determined to restore these properties back into use and to undertake this action to achieve that aim. Taking this action will also prevent damage to adjoining properties and nuisance to the local community that could be caused if they remain empty with no maintenance

## 3. Recommendations

- 3.1 It is recommended that Cabinet:
  - Authorises the submission of 44 Cobham Road N22 and 29 Fairfield Road N8 to the Secretary of State for Communities and Local Government for a confirmed Order, under Compulsory Purchase powers;
  - (2) Authorises the Assistant Director of Corporate Governance to:
    - (a) Make and seal the Orders for submission to the Secretary of State for consideration and approval (including the service of any requisition notices necessary to establish interests in the property) and to carry out the statutory notification required;



- (b) Confirm the Compulsory Purchase Order in the event of the Secretary of State returning the Order authorising the Council to do so;
- (c) Prepare for, and represent the Council at, any public inquiry held following submission of the Order to the Secretary of State;
- (d) Upon confirmation of the Compulsory Purchase Order proceed with acquisition of the property;
- (e) In the event that any of the owner(s) undertakes in the form of a legally enforceable cross undertaking to bring the relevant property back into residential occupation and use within a reasonable timescale, to authorise the Head of Legal Services in consultation with the Director of Environment & Neighbourhoods to enter into and enforce such an undertaking instead of proceeding with the CPO for the property in question; and
- (f) Act in relation to any other procedural matters that may arise in the normal course of the CPO process.
- (3) Approves (subject to the confirmation of the CPO by the Secretary of State) the disposal of the property to a Registered Provider where possible, or to an individual or private developer, with covenants to bring the property back into use as soon as practicable.
- (4) Authorises the costs of the CPO to be met from the capital programme; and
- (5) Approves the recycling of the receipt from the disposal back to the capital programme budget for the continued private sector housing CPO programme.

## 4. Reasons for decision

- 4.1 44 Cobham Road N22 has been through the CPO procedure and all avenues of informal and formal engagement with the owners of the property have been undertaken. The property continues to cause problems for the local community and the Police due to it being squatted, it is a constant source of complaints from local residents in relation to anti-social behaviour. The property has been the subject of a huge amount of Police and Council officer time dealing with the illegal occupants and their illegal activities. The property has once again become squatted.
- 4.2 29 Fairfield Road N8 in our view has been abandoned by its owner who has not been there for over 10 years. Its dangerous state is a cause of concern to residents and the public, the deterioration of the structure may cause it to collapse into either a communal alleyway or a rear garden of a neighbouring property.
- 4.3 There is no reasonable prospect of bringing the properties back into use without using CPO powers.



# 5. Alternative options considered

- 5.1 The CPO procedure is prescribed, comprehensive and lengthy, the ultimate aim is always to try and bring a property back into use with the involvement of its owner. The process follows several stages of intervention which are the steps we take before CPO is considered.
  - Identifying the owner.
  - Initial engagement, advice and guidance.
  - Supervision of progress.
  - A series of 5 letters are sent each letter building up to a final warning of the council's intentions to enforce. These letters can be withheld at any point if owners engage but are proceeded again if works stop.
  - Enforcement action against any nuisance such as pests etc.
  - In many cases boarding and or securing the property to make it secure from intruders.
  - Engagement with council tax on debt owed and any possible enforced sale action.
  - Valuation of the property for the purposes of decision making, feasibility and market etc.[ details contained in the exempt appendix 2]
  - Final communication with the owner outlining next steps regarding the CPO approval.
- 5.2 All alternative options as stated in paragraph 5.1 have been used to try and bring these properties back into use. It is due to the lack of engagement throughout a lengthy CPO process that the Council officer has been left with no alternative than to take possession of the property, in order to tackle the ongoing issues that the properties pose. CPO is the last resort and is used when all other efforts have failed.

# 6. Background information

- 6.1 Haringey Council's privately owned empty homes are monitored by an officer within the Housing Improvement Team. Long-term empty homes and those which are the source of complaints become subject to the Council Empty Homes enforcement procedure as per paragraph 5.1.
- 6.2 It is often the case that the start of formal interventions force some owners to realise the seriousness of the Council's intentions and many will bring the homes into use without any further involvement.
- 6.3 There are, however, other owners for whatever the reason fail to comply and wish for matters to be taken to the Secretary of State and the decision of Compulsory Purchase to be made before they will or will not take action.
- 6.4 To date, 41 empty properties have been through Cabinet for approval to Compulsory Purchase, of these:



- 7 have been given to the Council by the Secretary of State. These have been sold on, renovated and occupied.
- 23 have been renovated or sold by the owners post Cabinet approval to prevent CPO and are now occupied.
- 4 have been renovated with the aid of empty property grant money and have been occupied by Council tenants from the waiting list.
- 3 were taken possession of using the Enforced Sale route (Council Tax debt) and have been sold on, renovated and occupied.
- 3 are on site with the owners renovating them in order to prevent CPO.
- 1 has not been pursued as the Council took a Barristers opinion and were advised not to continue due to the financial risk.

# 6.5 44 Cobham Road N22:

- 6.5.1 This property first came to the attention of the Council in July 2015 when neighbours complained about the house being squatted. It has been empty since October 2003 when the owner died.
- 6.5.2 The house has been squatted on a long term basis on several occasions and remains an issue with regards to anti social behaviour. It is known to the Police as being an address used by criminal gangs and has been targeted by the police on occasions in the past.
- 6.5.3 The beneficiaries all live in Athens and have shown no interest in concluding the Estate since the owner's death. No Will has been seen and no Probate has been sought. The relatives in Greece have twice employed Solicitors following the Councils involvement both of whom have assured the Council they would obtain Probate and sell the house on. However, on both occasions the beneficiaries have dispensed with the solicitor's services. The latest Solicitor has now broken off communication with the Council.
- 6.5.4 The Council procedure for empty homes has been followed and the beneficiaries have received all 5 CPO letters which have been translated into Greek. Currently there is no plan to do anything to resolve the situation and the property has once again become squatted.

# 6.6 29 Fairfield Road N8:

- 6.6.1 This property first came to attention of Council in June 2010. The property is a single storey studio built on land acquired from the bottom of a rear garden on Ferme Park Road N8. The property has its own access onto Fairfield Road N8.
- 6.6.2 Planning Permission was obtained in 1976 for a music studio with accommodation for one person. The property has its own Council Tax account and Land registry entry. It has been empty for at least 15 years. The Council has no current address for the owner, he last contacted Council Tax in 2015 to say he had not been to the property for over 10 years (there is no council tax debt associated with this property).
- 6.6.3 The studio is now in a very poor state of repair with the roof partly collapsed meaning the building is no longer weathertight. Neighbours have complained to



the Council about the fact that the building is abandoned and in a poor state of repair.

6.6.4 CPO proceedings have commenced on this property in the past but were dropped due to opinion that the land would not be desirable. This, however, is no longer the case, we are now in a current climate where land and property are in demand. It is also more evident due to how long the owner has vacated the premises for and how severe the disrepair has become, that the owner has abandoned the premises.

# 7. Contribution to strategic outcomes

- 7.1 The Governments strategy for empty homes is set out in 'Laying the Foundation' a commitment that Government made to bringing empty homes back into use.
- 7.2 We support this strategy by using our powers and resources to investigate and target long term empty homes which are in the public interest for us to do so, these can include the following.
  - properties which cause concern for the community
  - properties which are affecting neighbours due to their neglect
  - properties which are blighting neighbourhoods
  - properties which attract anti-social behaviour
  - properties which pose a risk or danger to the public.
- 7.3 It is part of the Councils Housing Strategy to bring long term and eyesore empty properties back into use.

# 8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

# 8.1 Finance

- 8.1.1 The use of CPOs has both capital and revenue implications for the Council.
- 8.1.2 The associated revenue costs of the purchases will be contained within existing agreed budgets for the Housing Improvement Team.
- 8.1.3 The capital provision takes the form of a payment to the displaced owner based on an independent valuation [ Set out in the exempt appendix] of the property in its existing state on the day of possession. If the owner cannot be confirmed or traced then the money is held in reserves until it is legally claimed.
- 8.1.4 It is expected that the payment for these properties will be met from the 2019/20 budget.



- 8.1.5 This payment is initially funded from the capital programme, and an equivalent capital receipt is expected once the sale of the property is executed.
- 8.1.6 The initial capital budget for scheme 509 Compulsory Purchase Orders is £650k for 2019/20 and a carry forward request of £400k unspent from 2018/19 is being considered as a separate item in June 2019 cabinet meeting.

## 8.2 Procurement

There ar no procurement implications arising from this report.

## 8.3 <u>Legal</u>

- 8.3.1 The powers to acquire properties either by agreement or compulsorily with the consent of the Secretary of State are contained in section 17 of the Housing Act 1985 which are specifically designed for acquisition in these circumstances.
- 8.3.2 Where a building is purchased for housing, the Council has a duty to forthwith make it suitable either by carrying out the work itself or selling it to another subject to conditions for it to be made suitable and recommendation 3 (3) will comply with this duty.
- 8.3.3 The report also contemplates disposal. Power of disposal is contained in section 32 of the Housing Act 1985 but the Council cannot dispose without Secretary of State consent The Secretary of State has issued the General Housing Consent 2013. Whether or not the Council can rely on the general consent or need specific consent will be dependent on the purchaser(s), and Legal Services should be consulted once the properties are ready to be disposed of.

## 8.3.4 Members should note that compensation will be payable to the owners.

## 8.4 Equality

- 8.4.1 There are no equalities implications for this proposal. The Council is committed to creating safer neighbourhoods, stronger communities and making Haringey a better place to live and work.
- 8.4.2 This programme meets these aims and provides encouragement to those residents living with the problems that long term empty properties bring to an area. The CPO process also supports the provision of varying types and sizes of dwellings which are now required to meet the need of Haringey's diverse communities.
- 8.4.3 Vacant properties have a negative effect within areas. Squatting has become a very serious problem in London and many long term empty properties will become squatted at some time as it becomes well known in the neighbourhood that they are empty. 44 Cobham Road N22 has been squatted for most of the 15 years it has been empty.

## 9. Use of Appendices

Appendix 1 Detailed plan of properties



Appendix 2 Valuation reports – exempt

# 10. Local Government (Access to Information) Act 1985

- 10.1 **CPO** enforcement action is endorsed within the Council's Housing Strategy.
- 10.2 Detailed plans identifying the properties have been made available to scan through Property Services and are attached as Appendix 2 to this report.

