




Haringey Council

Report for:	Cabinet 20 January 2015	Item Number:	
Title:	Approval for Compulsory Purchase Action – Empty Properties		
Report Authorised by:	Tracie Evans (Interim Chief Operating Officer) 		
Lead Officer:	Glayne Russell (Senior EHO Housing Improvement Team) 0208 489 5252 Glayne.russell@haringey.gov.uk		
Ward(s) affected:	Report for Key/Non Key Decisions:		
Several Different Wards	Key Decision		

1. Describe the issue under consideration

- 1.1 The use of Compulsory Purchase powers forms an important part of Haringey's strategy for bringing back into use residential premises that have been long term vacant and where no other course of action is appropriate or can be pursued.
- 1.2 This report sets out proposals to make Compulsory Purchase Orders (CPO) in relation to 7 vacant properties in the borough. It describes the condition of the properties and the work that the Council has taken to bring them back into use.
- 1.3 The purpose of this report is to seek authorisation to make a Compulsory Purchase Order (CPO) for each of the 7 properties and to submit the Order to the Secretary of State for confirmation (if the owners fail to repair and bring the properties back into use) and then dispose of the property following the compulsory purchase.

2. Cabinet Member introduction

- 2.1 The need for housing accommodation in London is reaching crisis point. Competing demands for a reducing supply is creating escalating rents which



Haringey Council

makes 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 the Cabinet:

- (1) Authorises compulsory acquisition of and the submission of the 7 properties listed in Paragraph 5.5 to the Secretary of State for Communities and Local Government for a confirmed Order, under Compulsory Purchase powers;
- (2) Authorises the Assistant Director Corporate Governances 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 each of the properties) 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 each of the properties;
 - (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 Interim Chief Operating Officer to enter in to and enforce such an undertaking instead of proceeding with the CPO for the property in question; and



Haringey Council

- (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 each of the property to a Registered Provider where possible, or to an individual or private developer, with covenants to bring the relevant 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.

3. Alternative options considered

- 3.1 All options have been tried and exhausted. Letters have been sent to the owners of the empty properties offering advice and grant aid.
- 3.2 Some of these properties have a debt outstanding to the Council which is being pursued under the Enforced Sale process. If the owner fails to pay, an Enforced Sale will be pursued and the property sold at auction. If they do pay but do not renovate the home and bring it back into use, the Council will proceed with CPO.

4. Background information

- 4.1 The process in place for dealing with vacant properties is simple in that up to 5 letters are sent requesting information from the owner regarding their intentions with the property for its repair and re-occupation. The letters offer advice and grant aid to assist with the repairs. The letters also, especially the last two, indicate the powers that the Local Authority has in respect of Compulsory Purchase and Enforced Sales.
- 4.2 Empty homes are reported and found in a number of ways. Local residents and ward councillors report a considerable number, as well as, officer checks using council tax data. Initial enforcement action is taken to deal with any nuisance that may arise from such empty units, usually related to the following:
 - Security
 - Rubbish accumulation
 - Blocked/ Overflowing Drains
 - Pest Control
 - Damage to adjoining premises.



Haringey Council

If the owner fails to deal with such issues, work in default of the owner may take place and the debt placed as a charge on the property and could be added to other debts to trigger an enforced sale at a later date.

4.3 The CPO letter process does focus the attention of many owners who eventually sell, undertake works, enter in to a grant agreement or agree a plan of improvement especially if they own a number of empty units. The officer works with owners to achieve the desired outcomes but have to on some occasions revert back to enforcement action. Some owners fail to respond and other properties are subject to complicated probate of ownership disputes.

4.4 The authority, since 2006/7 have returned 262 properties in to use and have recovered £581,009.00 of council tax debt through this process. A good partnership arrangement is in place with Housing Improvement, Council Tax and Legal. Cabinet have approved 33 properties for CPO

4.5 Compulsory Purchase (CPO) since the process started have taken possession of 5 properties, all of which have now been sold on and restored to use by new owners. Following cabinet approval, the owners are notified again of the cabinet decision, which usually promotes action from some of the owners. The number of properties that actually are referred to the Secretary Of State for confirmation of the Order is usually low and the threat is the major deterrent. Of the 33 properties that have been approved by cabinet the outcome is the following:

- 24 Restored back to use.
- 5 Scheme in place
- 3 Subject to an undertaking/referral to SofS
- 1 Remains empty with no scheme in place but due to the significant financial risk of costs and compensation claims

4.6 The properties listed below and subject to this report have all received the letters outlined and the owners have not responded. The properties are in poor condition and have caused issues with neighbours and local community on occasions. Photographs and a brief description of each property are outlined in APPENDIX 1 of this report

1. 36 Woodside Road N22
2. 112 Granville Road N22
3. 165 Sirdar Road N22
4. 20 Onslow Gardens N10
5. 10 Harringay Gardens N9
6. 264 High Road N22



Haringey Council

7. 9 Cissbury Road N15

5. Comments of the Chief Finance Officer and financial implications

- 5.1 This report seeks approval to submit to the Secretary of State a total of 7 properties for Compulsory Purchase Orders, following the failure of the owners to repair and bring the properties back into use.
- 5.2 The use of CPOs has both capital and revenue implications for the Council. A capital provision is required to acquire a property and this takes the form of a payment to the displaced owner based on an independent valuation of the property in its existing state on the day of possession. This payment is initially funded from capital receipts, to be repaid once the sale of the property is executed.
- 5.3 Disposal is to a Registered Provider, ideally. Sale to a developer through an estate agent using sealed bids has also been used. To ensure the new owner renovates the property immediately following sale, the property is exchanged with the new owner but completion only occurs once the work has been finished and inspected. Property Services oversee this part of the process.
- 5.4 The capital budget for Compulsory Purchase Action is £1,5M over the next 3 years. To date there has not been any spend against the 2014-15 budget of £0.5M.
- 5.5 To keep the risk to the Council at a minimum, properties, following confirmation of the Order will be acquired and sold one at a time.

6. Assistant Director of Corporate Governance and legal implications

- 6.1 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. 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.
- 6.2 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.
- 6.3 Members should note that compensation will be payable to the owners.



Haringey Council

7. Equalities and Community Cohesion Comments

7.1 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. 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. Head of Procurement Comments

8.1 N/A

9. Policy Implication

9.1 The use of Compulsory Purchase powers as an enforcement tool to bring empty properties back into use is included within the Housing Strategy.

10. Use of Appendices

10.1 Appendix 1 – Property description and photographs

12.2 Appendix 2 – Maps of property location

11. Local Government (Access to Information) Act 1985

11.1 CPO enforcement action is endorsed within the Council's Housing Strategy.

11.2 Detailed plans identifying all properties have been made available to scale through Property Services and are attached as Appendix 2 to this report.

20 ONSLOW GARDENS N10



- House was occupied by owner and her very elderly mother. In very poor repair and hoarded. This is a large 3 storey house poorly converted into 4 self contained flats many years ago which have never got Planning permission or been done to Building Regulation standards.
- Owner abandoned house when mother passed away in February 2013 and has not returned since going to live away from London.
- The house has continued to deteriorate with leaking gutters and downpipes causing damp and mould in the property.
- It has been broken into a couple of times but not squatted due to the neighbours vigilance.
- To date, no contact whatsoever from owner despite the 5 CPO letters plus other letters urging her to get in contact and about section 15 forced entry inspection to see inside of property.

165 SIRDAR ROAD N22



- Owner inherited this 3 bed house after his mother passed away in 2011. Property was already in poor repair and hoarded.
- Owner visits regularly to collect post but has made no attempts to clear the house or do anything with it.
- Rear garden is overgrown to the extent you can hardly get out of the back door and the house has broken windows to the rear and boarded windows to the front due to break in attempts.
- The Council has received numerous complaints about this property from neighbours.
- Owner has ignored all 5 CPO letters and refuses to contact even after the locks were changed as a result of the section 15 forced entry inspection to see the interior of the property.
- CPO is left as only way to bring this house back into use.

112 GRANVILLE ROAD N22



- Owner died in 2009 and executor has still not obtained probate. Property is a 3 bedroom house.
- Executor does not live in London so does not look after the property.
- House has been squatted twice. The second time, the Council and Police had to get the squatters out and secure the house as the executor did not respond to numerous messages left on his mobile about the situation. He refuses to provide the Council with his address.
- Work in Default has been carried out to provide a new front door, Veolia and the Council have cleared the rubbish from the front garden and the local Police are aware of the property. This has been done in an attempt to secure the house until CPO reaches its conclusion.
- Following CPO the compensation money will be paid into Court until such time as probate is sorted out at which time the beneficiaries can claim the money.

10 HARRINGAY GARDENS N8



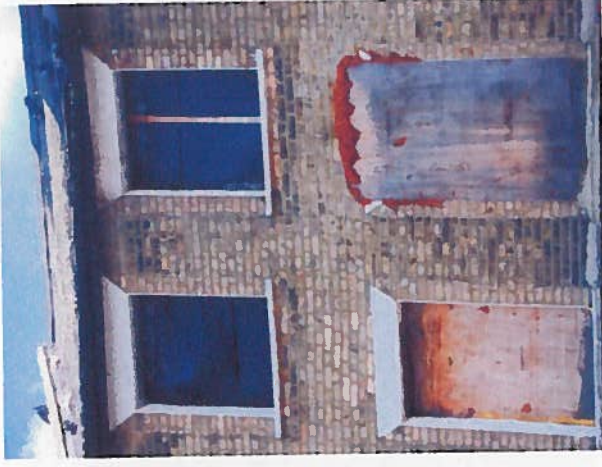
- This 3 bed house has been empty since 2009 when the owner decided to convert it from an HMO into a family home.
- Owner got in touch with Council after initial letters to say he was renovating the house. Time was given to do this as there was evidence of builders activity.
- There have been several complaints about this property to the Council
- However nothing substantial was done to bring the house back into use so further CPO letters were sent.
- The owner did not contact the Council again but turned up to the section 15 inspection in February 2014. He informed the Council he was renovating it for his own use.
- Regular inspections have been carried out since February 2014 to see progress and the Council was assured that work would be complete and the owner in occupation by May 2014. However very little progress has been made and it has become necessary to continue with CPO action to ensure the house comes back into use.

36 WOODSIDE ROAD N22



- This 3 bed house is in very poor repair and hoarded with very overgrown front and rear gardens.
- The owner hoarded the house himself and has done none of the renovations needed to the house. He has twice abandoned the property. The first time he returned when squatters moved in. He is currently living elsewhere and has not lived in the house for at least 2 years.
- The owner has called the Council twice and does not want any Council involvement with his property. He stated he would be renovating the house to move in with his son but has done nothing to date.
- CPO is the only way to ensure this house is renovated and brought back into use.

264 HIGH ROAD N22



- This 2 storey 2 bed flat above a shop has been left to become almost derelict and has been empty and unused for many years even though there is a separate entrance to the side of the shop door.
- The roof is holed and in very poor condition and pigeons are able to access the property through the holes in the roof both to the front and back.
- The owner did not respond to any of the CPO letters from the Council and only got in touch once the letter was sent about the section 15 internal inspection. He then got in touch again via a solicitor who said the property was on the market and they had a buyer.
- This was at the start of 2014 and the solicitor has failed to respond to any of my emails asking for an update since.
- To date the property remains in the same owners name and there is no progress in bringing it back into use.

9 CISSBURY ROAD N15



- This 3 bed house has been empty since 2010 when the last tenants left.
- The house has been gutted and re-plastered but works remain incomplete and there is no kitchen and bathroom in the property and the property has been left unfinished and in the same condition for the last three years.
- The owner insists that she will complete the renovations and re-let the house but to date no progress has been made and builders have not been back on site.
- CPO is the only way to ensure this property comes back into use within a reasonable timeframe.

