



Haringey Council
Agenda item:

Cabinet Meeting on the 20th of November 2007

Report Title: 80 Beaconsfield Road, Compulsory Purchase Order.

Forward Plan reference number (if applicable):

Report of: **Director of Urban Environment**

Ward affected: Tottenham Green

Report for: Non key

1. Purpose

1.1 This report sets out proposals to make Compulsory Purchase Order at address 80 Beaconsfield Road, Haringey, N15 4SJ. The use of Compulsory Purchase powers forms part of Haringey's Empty Properties Strategy, Housing Strategy, and Sub-Regional strategy to bring back into use residential premises that have been long term vacant and where no other course of action is appropriate or can be pursued. It is also in pursuance of achieving a year-on-year increase in the number of privately owned empty properties brought back into use through advice or intervention (Best Value Performance Indicator 64).

1.2 This report describes the condition of the property and the work undertaken to date by officers in Enforcement Service of the Urban Environment Directorate and of the North London Sub-region to bring the property back into use.

2. Introduction by Cabinet Member (if necessary)

Empty properties can be both a waste of desperately needed housing accommodation and a significant blight for an area. They attract activity and antisocial behaviours that can reduce both property values and the quality of life for residents. This is one of the properties in a programme of proposed cases for compulsory purchase action where all other reasonable approaches to the owner have failed. It marks a progression in the enforcement activity being taken to address this property within Haringey and will send a clear signal; that in Haringey property owners that neglect the responsibilities of property ownership and who fail to bring their properties may lose them.

3. Recommendations

That the Cabinet:-

- 3.1 Agrees to use its compulsory purchase powers to acquire property known as 80 Beaconsfield Road, Haringey, N15 (shown edged red on the attached plans) compulsorily under section 17 of the Housing Act 1985 and the Acquisition of Land Act 1981.
- 3.2 Authorises the Head of Legal Services to make and seal the Order for submission to the Secretary of State for Communities and Local Government for consideration and approval. Further to authorise the Head of Legal Services to confirm the said Compulsory Purchase Order in the event of the Secretary of State returning the Order.
- 3.3 Upon confirmation of the Compulsory Purchase Order to proceed with the acquisition.
- 3.4 Subject the confirmation of the Compulsory Purchase Orders by the Secretary of State for Communities and Local Government or the Council, Cabinet is also asked to approve the disposal of the property to a Registered Social Landlord in the first instance, or to a Private Developer (in which case the sale would be by way of auction with covenants applied to bring the property back into use as soon as possible.
- 3.5 Approves the re-cycling of the receipt from the disposal back to the capital programme budget.
- 3.6 Approve to indemnify the financial costs of the compulsory purchase order through the capital programme.

Report Authorised by: **Niall Bolger, Director for Urban Environment**

Contact Officers:

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4. Director of Finance Comments

- 4.1 The pursuance of a CPO policy will have both capital and revenue implications for the Council. A capital provision will be required to acquire the property and this will take the form of a payment to the current owner based on an independent valuation of the property in it's existing state. Generally this outlay should be recoverable when the property is sold. Several options are available for disposal including
- (i) a back to back disposal agreement with an RSL so that the capital receipt is received as soon as possible;
 - (ii) sale to a private developer;
 - (iii) sale at an auction

4.2 .f Members decide to proceed with the CPO, a provision of £300,000 will be included in the 2007/08 Urban Environment capital budget, initially funded from capital receipts, to be repaid once the sale of the property is executed.

4.3 The revenue costs associated with the policy will generally be non-recoverable and include legal, surveyors/valuers, stamp duty at the appropriate rate, etc. These could amount to between £10k and £15k for a typical five bedroom property valued at £300k.

5. Head of Legal Services Comments.

5.1 The Council has the power to purchase land and housing in order to provide housing or in order to sell to someone else to provide housing. The Council can exercise this power either by purchasing the property by agreement or compulsorily with the consent of the Secretary of State. Compensation will be payable to the owner of the property.

5.2 If the Council wishes to dispose of the property immediately then the transfer must contain an obligation for the purchaser to carry out the necessary repairs and improvements so the property is brought back into use for housing within a specific time table. Depending on the timing of any disposal the Council may have to forward fund any compensation payable to the owner if the sale proceeds are not received in time to pay the compensation.

5.3 Once acquired the property can be disposed of in any manner the Council wishes but must first obtain the consent of the Secretary of State. Depending on who the buyer is and the agreement reached specific consents may not be required if the General Consents issued by the Secretary of State can be relied on

6. Local Government (Access to Information) Act 1985

6.1 Legal notices used to provide background to this report are held by the Assistant Director of Enforcement.

7. Strategic Implications

7.1 The Housing Strategy believes that empty properties have a significant contribution to make in Haringey's development of a sustainable community and in meeting housing needs. Haringey suffers acute housing pressure, including 5,696 homeless households in temporary accommodation which is the second highest number of in Britain (December 2004).

7.2 London is growing, and Haringey is growing faster than the rest of London. While London's population is estimated to grow by 11% (an increase of 810,000 people), Haringey will grow by 16% and will remain more socially

dynamic than the rest of London – with a younger and more ethnically diverse population. A diverse community needs a variety of types of homes – for rent and sale, for single people and families with children.

- 7.3 Current and future need for homes prompts us to make better use of all our existing housing resources, which include empty properties. There are 1,961 privately owned properties recorded as potentially vacant in Haringey as at 1/4/2007. Of these 1,001 properties are believed to have been vacant for more than 6 months as at 1/4/2007.

8. Financial Implications

- 8.1 If the Compulsory Purchase Orders are confirmed by the Secretary of State for the Department of Communities & Local Government Haringey will proceed if necessary with the acquisition of the property. Compensation will be payable to the owners based on the valuation on the date of possession, which could be higher or lower than the council's valuation. In the current condition, the property is worth between £150,000 to £250,000.
- 8.2 The Council will be liable for the owner's reasonable surveyors' costs and legal fees associated with the conveyance. The council will also be liable for Stamp duty and costs to secure the property.
- 8.3 The Director of Urban Environment will identify a Registered Social Landlord to purchase the property on a back-to-back sale to provide permanent social housing. If a Registered Social Landlord cannot be identified an approved financially viable private sector developer will be identified who can purchase the property from Haringey as quickly as possible after the Council has acquired ownership. The property will be sold subject to covenants requiring the purchaser to carry out comprehensive refurbishment within a defined timescale. If it is not practical for whatever reason to sell to either a Registered Social Landlord or an approved private developer then sale will be by auction, subject to covenants, requiring the purchaser to carry out comprehensive refurbishment within a defined timescale will be used.

9. Legal Implications

- 9.1 Officers have considered this proposed Compulsory Purchase Order in the light of the relevant provisions of the Human Rights Act and in view of the factors set out in this report officers consider that the exercise of compulsory purchase powers is justified by reason that it is in the public interest, authorised by law and necessary and proportionate towards meeting the objectives of the Council's Housing Strategy. Every effort to encourage the owners to bring back the property back into use has been exhausted and compulsory purchase is the last resort left available to the Council.

10. Equalities Implications

- 10.1 Increasing the provision of affordable accommodation will support a housing need which is particularly important for economically disadvantaged groups.

11. Background

- 11.1 80 Beaconsfield Road is a two storey, turn of the century Victorian, double fronted, end of terrace property, situated in a residential street within the Clyde Circus conservation area. The property was first referred to Haringey council in 13/12/2004 from a concerned neighbour complaining about the condition of the property and the effect it is having on the local area. Further investigation showed that the property has been empty since July 2004. There have been many complaints against this property from individuals and local residence associations.
- 11.2 The Council attempted to enforce the sale for outstanding unpaid Council Tax debt on the property, however, the owner paid the debt before the enforced sale went through.
- 11.3 The property has been the subject of complaints about its condition and impact on the local area and the Enforcement Service have taken action under the Prevention by Damage by Pest Act 1949 and Section 215 of the Town and Country Planning Act 1990.
- 11.4 In general the property is in very poor condition. From photographic evidence the building did retain most of its original features prior to the suffering sever fire damage in 2004. The exterior brick is in need of cleaning, the facia board and guttering is broken in places, the sash windows are all broken and need replacing. The roof has recently been replaced and is in good condition.
- 11.5 The front garden is been used frequently for fly-tipping and the Environmental Health has needed to serve every time the problem re-occurs. The back garden is covered in building rubbish. Japanese knot weed is growing in the back garden. .
- 11.6 Internally the property is in need of total refurbishment. The fire destroyed the walls, floors and all services. The owners have carried out some works to the property but works have been left unfinished.
- 11.7 All external works need to be carried out to re-instate the traditional period features to ensure that the character of the conservation area is preserved and enhanced as per council policy.
- 11.8 Haringey's Empty Property Officer has written a number of letters to the freeholder of this property offering assistance, both practical and financial including empty property grants, to help them bring the property back into use voluntarily

12. Conclusion

- 12.1 Compulsory purchase of this property by the Council as a last resort is justified and officers are of the opinion that compulsory purchase is now the most effective solution. Acquisition of the property by the Council and the subsequent sale to and refurbishment by a housing association or private sector developer will achieve a quantitative and qualitative housing gain and

also improve the aesthetics of the local area. The property is in a conservation area and with careful monitoring from the council, it will be reinstated into use to high conservation standards. Thus greatly adding to the local community.

13. Use of Appendices / Tables / Photographs

- A. Photographs
- B. Land registry map