

Report to the Cabinet

Report reference: C/018/2006-07.

Date of meeting: 10 July 2006.



**Epping Forest
District Council**

Portfolio: Housing.

Subject: Compulsory Purchase of 8/8A Sun Street, Waltham Abbey.

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Democratic Services Officer: Gary Woodhall (01992 – 56 4470).

Recommendations:

(1) That, subject to the Council not being able to negotiate an agreed purchase of 8/8A Sun Street, Waltham Abbey by 31 July 2006, approval be given to its compulsory purchase pursuant to Section 226 of the Town and Country Planning Act 1990;

(2) That, in approving the Compulsory Purchase Order, the Council be satisfied that it will facilitate the carrying out of development/re-development or improvement of the land and such development/redevelopment or improvement be likely to contribute to:

(a) the promotion or improvement of the economic well-being of the area;

(b) the promotion or improvement of the social well-being of the area; and

(c) the promotion or improvement of the environmental well-being of the area;

(3) That, in carrying out the views expressed in recommendation (2), the Council has had regard to:

(a) the provisions of the development plan, so far as material;

(b) whether planning permission for any development of the land is in force; and

(c) any other considerations which would be material for the purpose of determining an application for planning permission for development on the land;

(4) That, in order to fund the Compulsory Purchase Order, a supplementary capital estimate in the sum of £377,500 be recommended to the Council for approval; and

(5) That a final estimated cost in the sum of £27,500 be noted.

Report:

1. 8/8A Sun Street is a visually prominent property at the heart of the town centre of Waltham Abbey and within the designated Conservation Area. The Council has a statutory duty within Conservation Areas "to pay special attention to the preservation and enhancement of the character and appearance of the Area in the exercise of its

planning powers.”

2. The property consists of a ground floor commercial unit with two-storey residential accommodation above. The commercial part is vacant; the residential part is officially unoccupied although there are signs of illegal occupation on the first floor.
3. The premise has been neglected for more than 10 years. It is in a dilapidated condition and there are multiple category one hazards throughout. (The Housing Act 2004 in operation since April 2006 introduces a new hazard based rating system, which is a prescribed method of assessment rather than a standard. All identified hazard are categorised depending on likelihood and severity of harm. Serious hazards are termed category one. A local authority has a statutory requirement to take appropriate action in respect of all category one hazards). All internal rooms are in serious disrepair with collapsed ceilings, holed floors, broken and part boarded windows, together with the remains of a previously large pigeon infestation still evident. The residential part is totally unsuitable for occupation in its current condition.
4. Neighbouring properties in Sun Street have been improved in recent years with financial assistance provided through the Heritage Economic Regeneration Scheme (HERS). The owner of 8/8A Sun Street has not taken advantage of this scheme and the premises are now particularly evident as an eyesore in an otherwise rejuvenated area.
5. The Council has, over many years encouraged the owner to renovate the property and bring it back into use. In 1993 a Renovation Grant was offered to make the residential part of the property fit for human habitation (estimated cost at the time of £50,000) but this was never taken up. Due to changes in the legislation and Council policy, such financial assistance is no longer available. In 1997 planning permission was granted for the erection of a part single and part 3-storey extension on the condition that any proposal should result in the building being returned to habitable condition. The development was never undertaken and the permission has now lapsed.
6. The Conservation and Environment Section of Planning Services has been actively involved in trying to persuade the owner to restore the building and has offered substantial (up to 50%) financial assistance through HERS. This has not been taken up and is no longer available to the owner.
7. In recent years officers within Environmental Services and Planning Services have tried to engage with the owner through written correspondence, telephone contact and site meetings to encourage him to bring the property back into use. He has also been made aware of the Councils powers of compulsory purchase should this be deemed appropriate. However, no positive steps have been taken by the owner to date. Officers have also endeavoured to encourage the owner to sell the property to the Council by agreement, but to date this has been unsuccessful. Further information will be provided at the meeting.
8. It is now considered that all the reasonable steps taken by the Council have failed to get the commitment of the owner to bring 8/8A Sun Street back into use. Subject to the owner not responding by 31st July in respect of the Council purchasing the property by agreement, approval is now being sought therefore to compulsory purchase the property.
9. Under the Town and Country Planning Act 1990 Section 226(1)(a) (as amended by the Planning and Compulsory Purchase Act 2004), the local authority has the power to compulsorily acquire any land if they think that the acquisition will facilitate the carrying out of development, redevelopment or improvement on or in relation to the land provided such development, redevelopment or improvement will be likely to contribute to the promotion or improvement of economic, social or environmental well-

being of the area. However, in deciding whether land is suitable for development, redevelopment or improvement, Members shall have regard to the provisions of the development plan, so far as material, whether planning permission for any development of the land is in force and any other considerations which would be material for the purpose of determining an application for planning permission for development on the land.

10. The Head of Planning Services is satisfied that the proper considerations have and will be taken into account.
11. The proposal, which will need the approval of the Secretary of State, is for the Council to purchase the property from the owner at market value and then sell it on either to a Housing Association for repair and then provision of social housing to nominated Council tenants; or to a private developer to bring it back into use. There will however still be a cost to the Council in paying compensation, legal and administrative costs.

Statement in Support of Recommended Action:

12. The property is an eyesore and has been empty or occupied by squatters for 10 years. It is in a Conservation Area and is the only run down property in an otherwise rejuvenated area. The Town Council and Conservation Groups have actively lobbied the Council to secure improvement of the property. There is a history of complaint associated with nuisance, squatters and illegal immigrants occupying the premises.
13. The property is a wasted resource. Compulsory acquisition will facilitate new business within the ground floor commercial unit. The empty residential part can be renovated to provide valuable housing with the possibility of conversion to provide self contained flats in an area of high demand. This will also contribute towards the Council's stated aim of wishing to see empty properties in the private sector brought back into beneficial use and as well assisting the Council to comply with Best Value performance indicator BVI64.
14. The Council has over many years encouraged the owner to bring the residential and commercial units back into use. Substantial financial assistance has been offered in the past through Renovation Grant, and more recently the HERS project. However, the owner has not taken advantage of these.
15. Planning permission has been granted in the recent past for the extension, conversion, refurbishment and partial change of use for the property. Whilst this permission has now lapsed it is not envisaged that a similar proposal would be contrary to planning policy, and would have the added benefit of enhancing the character and appearance of the Conservation Area.
16. There are unlikely to be any problems in finding a purchaser. There is current interest from East Thames Housing Group and also a private developer.
17. Whilst approval is being sought to make a compulsory purchase order if necessary, it is hoped that the threat of such action will be sufficient to generate action by the present owner on a voluntary basis. However, if the owner continues to fail to bring the property back into beneficial use, the Council must be prepared to see the CPO process through to completion.

Other Options Considered and Rejected:

18. The following options are available:
 - (a) Do nothing: If we do nothing the present unacceptable situation continues and the property continues to deteriorate until it falls into a dangerous condition or into a condition whereby renovation is no longer an option; or

(b) Use alternative legislation, such as:

- Housing Act 2004 - The above legislation can only address the residential part of the premises and not the commercial element. It cannot deal with the general external appearance. It cannot provide a satisfactory long-term solution; or
- Town and Country Planning Act 1990 - Section 215: This legislation can address the external appearance of the property but not its renovation, or occupancy.

Consultation undertaken:

19. Mr C Skinner, Head of Member and Legal Services at Great Yarmouth District Council who has previous experience of using this process and has advised officers. East Thames Housing Group

Resource implications:

Budget provision: The property has recently been valued at £350,000 by an independent valuer. The owner will also be eligible for compensation at 7.5% of market value, which equates to £26,250 plus his legal costs estimated at £1,250. The cost of carrying out the Order depends on whether the owner makes any formal objection. The total amount required therefore is therefore in the order of £377,500. Under current financial rules, provided a property acquired under CPO is resold within 3 years, 100% of the sale proceeds can be returned to the Councils' capital programme. However, the Council will be liable for the compensation, legal and administration costs. Therefore, assuming a disposal was made, the actual cost to the Council would be in the region of £27,500.

Personnel: None

Land: The compulsory purchase of 8/8A Sun Street, Waltham Abbey.

Community Plan/BVPP reference: Will contribute to BVPI64 – the number of private sector vacant dwellings that are returned into occupation as a result of action by the Local Authority.

Relevant Statutory Powers: Town and Country Planning Act 1990 s.226.

Background Papers: None

Environmental/ Human Rights Act/ Crime and Disorder Act Implications: Increasing the amenity value of the area will contribute to a reduction in crime and disorder. Local environment improved through the renovation of a derelict property. Local housing provision through sale to a RSL.

Key Decision reference: N/A.