

DECISION ITEM



REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	ENVIRONMENT, HEALTH AND HOUSING COMMITTEE	8 SEPTEMBER 2015	5

PROPOSED COMPULSORY PURCHASE OF PROPERTY TO DELIVER AFFORDABLE HOUSING

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

The council made a compulsory purchase order to acquire 93 St Albans Road, St Annes. The order has now been advertised and no objections have been received. The order needs to be confirmed to become effective. The secretary of state has empowered the council to confirm the order, and the committee is asked to agree to do so.

RECOMMENDATIONS

1. Confirm the Fylde Borough Council (93 St Albans Road, Lytham St Annes) Compulsory Purchase Order 2015.

CORPORATE PRIORITIES (delete ✓ which are not relevant)

To Promote the Enhancement of The Natural & Built Environment (Place)	✓	To Encourage Cohesive Communities (People)	✓
To Promote a Thriving Economy (Prosperity)		To Meet Expectations of our Customers (Performance)	

SUMMARY OF PREVIOUS DECISIONS

On 4th July 2012, the Portfolio Holder for Finance and Resources in consultation with the Portfolio Holder for Planning and Development approved the following:

1. The portfolio holder agrees to the request from New Fylde Housing for s106 affordable housing monies to support the purchase of 93 St Albans Rd St Annes as phase one of a comprehensive scheme of improvement to the property.
2. The portfolio holder approves a revenue budget increase for 2012-13 of £85,000 to fund the payment to New Fylde Housing fully funded from the s106 affordable housing monies held by the council.

Cabinet, 25 June 2014:

1. Seek further to engage with the property owner with a view to acquiring the property voluntarily as mandated by previous decisions
2. If a voluntary sale is not achieved within a reasonable time, make a compulsory purchase order to acquire 93 St Albans Road, St Annes for the purposes of part II of the Housing Act 1985 for redevelopment to deliver 2/3 affordable housing units.

REPORT

THE PROPERTY

1. On 25 June 2014, Cabinet authorised the making of a compulsory purchase order in respect of 93 St Alban's Road, Lytham St Annes, if engagement with the owner had not brought about a voluntary sale in a reasonable time.
2. The property is an unoccupied three storey mid terraced house whose very poor condition has generated many complaints from members of the public. Previous engagement with the owner had failed to produce any improvement. Officers were satisfied that the condition of the property would continue to deteriorate under its present ownership, notwithstanding the powers of the council to serve statutory notices.

THE ORDER

3. Further efforts to engage with the owner of the property to bring about a voluntary sale were unsuccessful. The Fylde Borough Council (93 St Albans Road, Lytham St Annes) Compulsory Purchase Order 2015 was therefore made on 7 May 2015.
4. Legislation requires that compulsory purchase orders be advertised and notice given of them. They do not become effective until confirmed by the relevant secretary of state. However, the secretary of state may empower the order-making authority to confirm it instead¹.
5. There were no objections to the order and the secretary of state has empowered the council to confirm it. Accordingly, the committee is asked to confirm the order.
6. Confirming the order will give the council the legal ability to purchase the property compulsorily. It does commit the council to going ahead with the purchase.

THE FUTURE OF THE PROPERTY

7. As set out in the statement of reasons, which accompanies the order:

"The Council's proposals are intended to secure that the Order Land provides one or two net additional units of affordable housing accommodation. The Order Land, which is unoccupied and in an extremely poor state of repair, does not presently contribute towards meeting the acknowledged shortfall in both market and affordable housing provision in the Council's district. The Council proposes to transfer the Order Land to an identified Registered Provider of Social Housing, which will repair and improve the house to provide two or three 1 and 2-bedroom affordable flats."

8. The compensation, or purchase price, for compulsorily purchased property is based on the open market value of the property taken, together with the claimant's entitlement to compensation for disturbance and either a 'Home Loss Payment' or a 'Basic Loss Payment'. The Upper Tribunal (Lands Chamber) would fix the amount if not agreed. Using the general vesting declaration procedure, the acquisition of the property could be completed before compensation is settled.

¹ Acquisition of Land Act 1981, section 14A

9. Once the order is confirmed, the council will again seek to engage with the owner of the property to avoid the need to use the compulsory powers given by the order. If this is unsuccessful, a further report will be brought before Members at the appropriate committee seeking authority to make a general vesting declaration to vest the property in the council. That report set out the financial components of the scheme and seek necessary budgetary approvals and will also seek formal approval of the onward transfer of the property to a registered provider of social housing.

IMPLICATIONS	
Finance	<p>This report seeks approval to confirm the compulsory purchase order in respect of 93 St Albans Road, St Annes. If the acquisition route is by compulsory purchase the total costs to the council are likely to be in excess of the £85,000 market value previously estimated which would be increased by the amount of any disturbance and loss payments.</p> <p>Additionally if the compulsory purchase goes ahead a further report will be prepared for consideration by the Finance and Democracy Committee which will outline the financial implications and seek the necessary approvals.</p>
Legal	The compulsory purchase order, once confirmed, will give the council the authority to acquire the property compulsorily. A general vesting declaration would be the most appropriate means of effecting that authority.
Community Safety	There are no direct community safety implications arising from the report
Human Rights and Equalities	There are no direct human rights and equalities implications arising from the report
Sustainability and Environmental Impact	There are no direct sustainability and environmental implications arising from the report
Health & Safety and Risk Management	There are no direct health and safety or risk management implications arising from the report

LEAD AUTHOR	TEL	DATE	DOC ID
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LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Fylde Borough Council (93 St Albans Road, Lytham St Annes) Compulsory Purchase Order 2015	7 May 2015	Town Hall, Lytham St Annes
Statement of reasons	7 May 2015	Town Hall, Lytham St Annes