

Gloucester City Council

Meeting:	Cabinet	Date:	2 April 2014
Subject:	Confirmation of CPO 134 Reservoir Road		
Report Of:	Cabinet Member Housing, Health and Leisure		
Wards Affected:	Tuffley		
Key Decision:	No	Budget/Policy Framework:	No
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Appendices:	None		

FOR GENERAL RELEASE

Note: The special circumstances for non-compliance with Access to Information Rule 5 and Section 100B (4) of the Local Government Act 1972 (as amended) (items not considered unless the agenda is open to inspection at least five days in advance of the meeting) were that the information was not available at the time of publishing the agenda and a decision is required in order to meet the relevant deadline.

1.0 Purpose of Report

- 1.1 To seek Cabinet approval to confirm the Compulsory Purchase Order (CPO) for 134 Reservoir Road, Gloucester.

2.0 Recommendations

- 2.1 Cabinet is asked to **RESOLVE** that

- (1) the Compulsory Purchase Order made on 20th November 2013 in respect of 134 Reservoir Road, Gloucester be confirmed.

- (2) the steps required for the acquisition of the property by the Council be noted.

3.0 Background and Key Issues

- 3.1 134 Reservoir Road is a 3 bedroom semi-detached house built in the early 20th century and situated in the Tuffley area of Gloucester within 4 miles of the City Centre.
- 3.2 This property has been empty for more than 10 years. Since 2006, the Council has received a number of complaints relating to the condition of the house and garden. This resulted in the Council undertaking work in default to the property in 2009 to repair a defect to the rear single storey structure. The owner was subsequently recharged for the cost of the work.

- 3.3 Cabinet approved the making of a Compulsory Purchase Order (CPO) and subsequent onward sale of 134 Reservoir Road on the 6th February 2013.
- 3.4 Following the Cabinet decision in February 2013 and the subsequent making of the CPO on the 20th November 2013, the owner, the owner, made a planning application on the 8th January 2014 to demolish the existing rear addition and rebuild a two storey extension to the rear and side of the property.
- 3.5 The owner then contacted the Council and advised that he is now carrying out renovation works with the expectation that the property will be occupied by a member of his family. It is noted that builders are making good progress and it is possible the owner will now bring the property back into use. Officers have advised the owner that, if he brings the property back into use within a reasonable timescale, the Council will not then progress the CPO through to possession. Progress will be monitored to ensure the property is re-occupied soon after renovation works are completed.
- 3.6 A notice dated 27th February 2014 (received by the Council on the 3rd March 2014) from the National Planning Casework Unit (NPCU) of the department for Communities and Local Government (DCLG) confirmed that all the legal requirements had been met, that the order was unopposed and advised that the Council now needed to decide whether or not to confirm this CPO. If the NPCU does not receive notice from the Council that it has decided to confirm the CPO within 6 weeks of the notice dated 27th February 2014 (i.e. by 10th April 2014), they will consider whether the notice enabling the Council to confirm the CPO, should be revoked. It is DCLG policy that all CPOs should be determined as quickly as possible to minimise uncertainty in relation to interests in land.
- 3.7 Given the history of this site and the owner's numerous previous broken undertakings to renovate and bring the site back into use, Officers consider that the CPO should be confirmed to enable the Council to move secure ownership of the property if the owner fails to renovate and re-occupy the property within a reasonable period of time. The Council has 3 years from the confirmation of the CPO to acquire the property. Officers will continue to monitor the site and will report back to Cabinet if they feel that insufficient progress is being made to bring the property back into use. Cabinet may then need to consider authorising the next steps in the CPO process to enable the Council to take possession of the property.

4.0 Alternative Options Considered

- 4.1 The Council decide not to confirm the CPO. However, this may result in the owner not completing the renovation work and/or ensuring the property is brought back into use. The Council would then potentially have to go to the time and expenses of beginning the CPO process again.

5.0 Reasons for Recommendations

- 5.1 To ensure the CPO can now be confirmed and the next steps taken to secure occupation of a property which has been vacant for over 10 years. The owner has not brought the property back into use, despite numerous promises to do so. Since the CPO was made, the owner has made considerable progress in bringing the property back into use.

6.0 Future Work and Conclusions

- 6.1 If the CPO is confirmed, notices of confirmation will need to be served, advertised in at least one local newspaper and fixed on the property at 134 Reservoir Road. The NPCU will also need to be notified of the decision and sent certain other information, such as the date when the confirmation notice is first published in the press. There is a right of appeal against the making of the CPO and any such appeal has to be made to the High Court within 6 weeks of the press notice advertising the confirmation of the CPO.
- 6.2 The Council then has to acquire the property following statutory compulsory purchase procedures. There are a number of procedures available to the Council to purchase the land:
- By agreement;
 - By following a Notice to Treat/ Notice of Entry; or
 - By a General Vesting Declaration (GVD).
- 6.3 The fact that the Council has obtained a CPO does not exclude the purchase of the land by agreement. The price paid by the Council would normally be equivalent to the compensation which would be payable had the land been compulsorily acquired. If such negotiations proved unsuccessful, the Council could still compulsorily purchase the property. As the owner has been reluctant to sell the property in the past, this may not be a viable option and could lead to further delay in the property being brought back into use.
- 6.4 The Council can acquire the land by service of a 'notice to treat'. The notice must be served within 3 years of the confirmation of the CPO and state that the Council is willing to negotiate for possession of the land. The owner then has to submit a claim for compensation and provide such information as the Council may request (e.g. evidence of interests in the property) within a period specified by the Council. The Council can then take possession of the land by serving a notice of entry, giving at least 14 days' notice. This enables the Council to take possession of the property but no title to the land will pass until compensation has been settled. Again, this route is unlikely to be satisfactory because of the potential for further delay in bringing the property back into use.
- 6.5 The General Vesting Declaration (GVD) procedure may be the more appropriate route than either the agreement or notice to treat routes. The GVD gives the Council the right to enter and take possession of the property and vests the title to the property in the Council. This route would help to ensure minimum delay in the Council acquiring the land for onward sale and bringing the property back into use.
- 6.6 The Council will not be able to make a General Vesting Declaration in respect of the land until 2 months after the publication of the press notice referred in paragraph 5.1 and will have to wait at least 28 days after the making of the General Vesting Declaration before the land vests in the Council and possession of the property can be taken. Compensation is assessed as at the date the property vests in the Council. The Council would still need to register the transfer of the property into the Council's ownership and this would require the payment of a fee to the Land Registry (estimated at £200).

6.7 The aim of the compensation is to ensure that the individual will in no worse off position in financial terms after the acquisition than they were before. The basis of compensation is the open market value of the property assessed by the Council as between £60,000 - £140,000, (depending on the condition at the point of possession). It is unlikely that Home Loss payments will be payable as the property is empty but the Council will be liable for any surveyor and conveyancing costs incurred by the owner. Interest on compensation is payable from the date of entry by the Council until compensation is paid and it is therefore in the Council's interest to settle the amount of compensation as soon as possible after the vesting process has begun.

7.0 Financial Implications

7.1 If the CPO is confirmed, a notice of confirmation will need to be advertised in at least one local newspaper. This is likely to cost in the region of £300. Compensation is estimated between £60,000 and £140,000 and the Council will be responsible for the owner's surveyor and legal costs, if incurred. These are estimated at £5,000. Land Registry fees to register the transfer from the owner to the Council will be payable by the Council and these are estimated at £200.

(Financial Services have been consulted in the preparation this report.)

8.0 Legal Implications

8.1 These are set out in the report.

(Legal Services have been consulted in the preparation this report.)

9.0 Risk & Opportunity Management Implications

9.1 There is a risk that someone may come forward as a result of the confirmation of the order being advertised to say that they are entitled to compensation. However, such risk is considered to be minimal as checks were made with the owner and the Land Registry prior to making the draft CPO and these revealed no other legal interests in the land.

10.0 People Impact Assessment (PIA):

10.1 The PIA Screening Stage was completed and did not identify any potential or actual negative impact; there a full PIA was not required.

11.0 Community Safety

11.1 Vacant dwellings can attract vandalism and squatting. By ensuring properties are brought into use these opportunities are taken away. It can also help to restore confidence in an area.

12.0 Sustainability

12.1 Vacant dwellings often result in increased complaints from neighbours about statutory nuisance e.g. causing deterioration to adjoining properties and problems relating to overgrown garden, dumping of rubbish and vermin.

13.0 Staffing & Trade Union

13.1 None

Background Documents: None