

Report to: Cabinet

Date of Meeting: 4 April 2016

Report Title: Compulsory Purchase and resale of a St Leonards property to a Registered Housing Provider

Report By: Andrew Palmer
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Purpose of Report

To advise Cabinet of proposals to compulsory purchase a property located in the Gensing Ward with the intention of onward disposal to AmicusHorizon Housing Association.

A report included in Part 2 of the Cabinet Agenda provides details of the future development proposal, financial implications, site history and action.

Recommendation(s)

- 1. That Cabinet agrees to commence the process for the compulsory purchase of the property identified in the report in Part 2 of this agenda, pursuant to Section 226(1) (a) of the Town and Country Planning Act 1990**
- 2. That cabinet agrees the onward transfer of ownership of the property to AmicusHorizon**

Reasons for Recommendations

The property identified, which occupies a prominent site within St Leonards, has been empty for over 6years and is considered a significant blight to the area.

A Compulsory Purchase Order will enable the Council to take the necessary steps towards securing the redevelopment of the property. This will remove the blighting effect of the site in its current condition and will secure the provision of new residential accommodation.

AmicusHorizon Housing Association propose to purchase the property from the Council, then following necessary development let the property for residential purposes to those in housing need nominated by the Council.

Introduction

1. The property comprises a block of 3 adjoined pre-1919 built houses forming 17 flats over 3 stories.

The Proposal

2. AmicusHorizon propose to fully develop the site so as to create self-contained general needs affordable housing which will be let to local people in housing need who have been nominated by the Council through the Choice Based Lettings scheme.
3. It should be noted that in February 2016 there were 890 households on the Council's Housing Resister seeking 1 and 2 bedroom accommodation in the Hastings and St Leonards area.
4. Subject to the granting of planning permission and acquisition of the property, AmicusHorizon plan to have the homes ready for occupation by the end of 2017
5. A residential development is envisaged for the site and the statutory time limit for dealing with a planning application of more than 10 units would be 13 weeks. Factoring in pre-application discussions, production of supporting planning documents and drawings, and possible amendments to a planning application following consultations, a minimum timescale of 6-12 months seems reasonable.
6. In terms of planning, the redevelopment of the site is considered acceptable in principle given that the site is within a sustainable location with good access to public transport, shops, services and facilities, the overall acceptability of the development would depend upon the specific nature of the proposed development such as bulk massing and parking matters. These would be subject to detailed planning approval.
7. Details of the proposals are set out in the Part 2 report on this agenda item.
8. AmicusHorizon sought to acquire the site from the owner in 2015, however their offer was refused. The Council will continue to seek a voluntary agreement to purchase the property from the owner having regard to the full valuation report made in November 2015, and any subsequent adjustments.

Site history and action

9. Details are set out in the Part 2 report on this agenda item.

Policy Implications

10. AmicusHorizon and the Council agree that the development of the property would be of huge benefit in terms of helping to regenerate a key focal point within St Leonards.

11. The proposal is wholly consistent with the aims of the St Leonards Housing Renewal Area Declaration Statement (2003) which set out the key regeneration objectives of the Council. The statement contained an express aim of creating long term confidence in the area through working with Registered Providers (Housing Associations) to ensure that empty homes are returned to use and a supply of good quality well managed affordable housing is available.
12. Central Government takes the view that it is important to maximise the use of existing buildings so that we can minimise the number of new homes that need to be built each year, particularly in areas of the country where housing demand is high, such as the South East of England.
13. The Council's Empty Homes Strategy and Action Plan prioritises the return of long term empty homes. These are defined by the Council as those properties empty for more than 2 years. The strategy also confirms the Council's commitment to use its CPO powers to return homes to use where it is considered this the most appropriate course of action.
14. The Council's CPO policy, updated 2007, states that the Council will consider CPOs where:
 - No progress can be made by negotiation with the owner
 - There is no real imminent prospect of the situation being resolved other than by the intervention of the Council
 - All other realistic options have been reviewed and a CPO judged to be the best way forward.
 - The course of action proposed will deliver changes that will benefit the owners and occupiers of properties in the surrounding area
 - The course of action will support the strategies and policies of the Council by enabling specific objectives to be achieved, specifically the reduction in long term empty homes.
15. At Cabinet 3rd October 2011 a Private Sector Housing Action Plan was adopted which reconfirmed the Council's housing renewal aims moving forward. Included within the plan: Proactive action borough wide, including the use of Compulsory Purchase Orders, to return empty homes to use. (We are not dealing with a typical empty homes situation here as the existing buildings will be demolished and new housing constructed.)
16. Whilst the policy support referred to above specifically refers to bringing empty homes back into use, it is still considered relevant to the proposals for this site. This is because the site at present comprises of unused housing accommodation, and the Council's proposals will see it replaced with new good quality housing accommodation.

Legal Powers

17. There are two main powers under which local authorities can compulsorily acquire homes and land; one is contained in Section 17 of the Housing Act 1985 and the other is contained in Section 226 of the Town and Country Planning Act 1990.
18. In addition there is a further Compulsory Purchase power contained in Section 93 of the Local Government and Housing Act 1989 that is available for properties within the declared Central St Leonards, Housing Renewal Area.
19. Often therefore there is a choice of which power to use.
20. However, Section 226(1) (a) of the 1990 Act allows a local authority to acquire land and buildings to facilitate their improvement, development or redevelopment provided that this will bring social, environmental or economic benefits to the area.
21. The property is clearly in need of improvement and redevelopment. It can be demonstrated that compulsory acquisition of the property would secure its improvement and redevelopment and lead to the social, economic and environmental conditions of the area being enhanced.
22. It is the intention that Nplaw, who have provided legal support on previous CPO work for the Council, would undertake the legal work in respect of this property.

Timescales

23. A process flowchart detailing the timescale for the Compulsory Purchase Order is attached as Appendix A.

Human Rights

24. The test that the Secretary of State applies in deciding whether to confirm a Compulsory Purchase Order is whether there is a compelling case in the public interest. It is considered by the Council that this test is met here. Without intervention by the Council the property is likely to continue to remain unused and its blighting effect will continue.
25. The Human Rights Act 1998 impacts upon Compulsory Purchase Orders. Provided the “compelling case” test is met, any interference with human rights is considered to be proportionate.

Equalities

26. Part 2 of this report outlines equalities assessment

Crime and Fear of Crime

27. Part 2 of this report outlines reports on crime associate with Hillesden mansions and with public concerns associated with crime.

Risk Management

28. There is a risk that the failure of the council to carry out a CPO will prolong the negative situation associated with this building. The main risk to the Council is that the Secretary of State does not confirm the CPO. However the external legal advice is that the Council has a strong case. The secondary risks are financial and relate to the possibility that the owner objects to the CPO necessitating a Public Enquiry where the Council would incur additional costs (details are outlined in part 2 of this report).

The CPO is subject to the confirmation of funding by Partners set out elsewhere in the Agenda for Cabinet April 2016.

Environmental Issues

29. The environmental impact of this derelict building is set out in part 2 of this report. There are compelling arguments that the local environment will be improved in respect of the public amenity if the property is redeveloped. It is, at present, subject to planning enforcement action (Section 215 notice). The re-use of empty properties makes the most efficient use of existing building resources

Anti-Poverty

30. The property, once redeveloped, will be let as affordable housing to local people on low incomes. It would therefore make a positive contribution towards the Council's anti-poverty strategy.

Wards Affected

Gensing

Policy Implications

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	Y(Part 2 of the report)
Crime and Fear of Crime (Section 17)	Y(Part 2 of the report)
Risk Management	Y(Part 2 of the report)
Environmental Issues	Y (Part 2 of the report)
Economic/Financial Implications	Y (Part 2 of the report)
Human Rights Act see section 22	Y (Part 2 of the report)
Organisational Consequences	N
Local People's Views	Y(Part 2 of the report)
Anti-Poverty	Y(Part 2 of the report)

Additional Information

Appendix A. Flowchart showing CPO stages and timeframes

Officer to Contact

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