

CABINET

17 JUNE 2022

JOINT REPORT OF THE PORTFOLIO HOLDER FOR CORPORATE FINANCE & GOVERNANCE AND PORTFOLIO HOLDER FOR HOUSING

A.6 POTENTIAL ACQUISITION OF PROPERTY AND LAND IN VICTORIA STREET, HARWICH

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To consider, in principle, whether to acquire the land and property in Victoria Street, Harwich, as shown edged red on the plan in Appendix A.

EXECUTIVE SUMMARY

The Council has been contacted at various times over several years with complaints over the condition of the subject land and property at Victoria Street, Harwich, both in terms of dangerous structure reports, antisocial behaviour and it being visually unappealing and a detriment to the area.

Following recent adverse weather and the Council having to secure the site in the interest of public safety, the owners were contacted and expressed their intent to place the property for sale in the next auction unless the Council wanted to make a prior offer.

In considering the need for Council Housing to meet the Council's Corporate Plan objective and the general desire to see derelict sites improved to combat antisocial behaviour, negotiations were undertaken and terms for acquisition, subject to decision, were agreed and are set out in the report in Part B of the Agenda.

Due to the timeframe of the seller's auction date, the usual initiation report to the Portfolio Holder was not possible, so following consultation with the Portfolio Holder for Corporate Finance and Governance it was agreed to carry out negotiations and go straight to the Cabinet report.

RECOMMENDATION(S)

It is recommended that:

Cabinet agrees, in principle, of the acquiring of the land and property in Victoria Street, Harwich.

REASON(S) FOR THE RECOMMENDATION(S)

In order to secure the sites for the benefit of the local residents and the wider District and to give potential effect to Member's priorities for Council Housing growth, subject to further decision on funding and contractual commitment and acquiring planning permission and other consents through the usual application processes.

ALTERNATIVE OPTIONS CONSIDERED

Not to acquire the land.

To allow the site to go to auction and seek to acquire it through that route.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES			
<p>The Housing Strategy indicates that on the 1 May 2020 there were 1958 households on the housing register in Tendring, increased from 608 on the 1 May 2017. 15% of this housing demand was in Harwich and Dovercourt, equating to 293 households.</p> <p>This proposal has the potential to feed into the following priorities:</p> <ul style="list-style-type: none"> • Building and managing our own homes • Public spaces to be proud of in urban and rural areas <p>The Dovercourt Masterplan identifies the sites for intervention and development.</p>			
OUTCOME OF CONSULTATION AND ENGAGEMENT			
<p>The Dovercourt Masterplan was adopted after a full consultation process and revisited including further consultation. If the land is acquired, there will be additional consultation as part of any planning process for development or change of use.</p>			
LEGAL REQUIREMENTS (including legislation & constitutional powers)			
<p>Is the recommendation a Key Decision (see the criteria stated here)</p>	<p>YES</p>	<p>If Yes, indicate which by which criteria it is a Key Decision</p>	<p><input type="checkbox"/> Significant effect on two or more wards</p> <p><input checked="" type="checkbox"/> Involves £100,000 expenditure/income</p> <p><input type="checkbox"/> Is otherwise significant for the service budget</p>
		<p>And when was the proposed decision published in the Notice of forthcoming decisions for the Council (must be 28 days at the latest prior to the meeting date)</p>	<p>19 May 2022</p>
<p>In coming to decisions in relation to management of assets, the Council must act in accordance with its statutory duties and responsibilities. Cases assessing principles of Section 120 of Local Government Act 1972 confirm that the Council is obliged to ensure that the management of its assets are for the benefit of the district;</p> <p>Section 17 of the Housing Act 1985 provides the principal power for the acquisition of land for housing purposes.</p> <p>Section 9 of the Housing Act 1985 gives the Council discretionary power to construct or acquire housing.</p> <p>Section 32 of the Housing Act 1985 together with the General Housing Consent 2013, Consent A gives the Council discretionary power to dispose of land held under Part II of the Housing Act 1985 that has not been developed/is vacant.</p>			
<p><input type="checkbox"/></p>	<p>The Monitoring Officer confirms they have been made aware of the above and any additional comments from them are below:</p>		

The land is being acquired using Housing Act 1985, for housing purposes and will be held in the Housing Revenue Account. Further decisions may be required for its development, including appropriation for other purposes.

FINANCE AND OTHER RESOURCE IMPLICATIONS

Funding is available within the existing Housing Revenue Account Capital Programme as set out in the report in Part B of the Agenda.

The Section 151 Officer confirms they have been made aware of the above and any additional comments from them are below:

None

USE OF RESOURCES AND VALUE FOR MONEY

The following are submitted in respect of the indicated use of resources and value for money indicators:

<p>A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;</p>	<p>The Council has a corporate priority to increase the number of Council managed dwellings across the District and is looking for ways to increase its Housing Stock to meet the objective. In acquiring land that has the potential to be developed, whilst also improving a local area for the residents is delivering on multiple Corporate Priorities under one transaction.</p>
<p>B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and</p>	<p>If development of housing is not achievable on this site, there are other options available for example parking or a park area for local people.</p>
<p>C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.</p>	<p>Potential development following acquisition will provide additional much needed housing to combat the deficit across the District.</p>

MILESTONES AND DELIVERY

If Cabinet agrees to proceed with the acquisition of the land on the terms set out in Part B of this Agenda, the target date for completion of the transaction is 22 July 2022.

Due to the short timescales for acquisition and existing competing priorities, it may be decided to use external solicitors for the legal support on this matter. If this is necessary the cost will be met from the Housing Capital Programme.

ASSOCIATED RISKS AND MITIGATION

Whilst the intention is to acquire the land in order to develop it, this is subject to planning consent. If planning consent is not achieved and housing development is not possible on this site, then it could be used as further car parking to support the new nearby former Starlings site development, or as a park area for the benefit of local residents.

If the Council does not wish to acquire the site the owner plans to auction it. The price at auction could be either higher or lower. There is no guarantee that a future owner would find development commercially viable and a further period of dereliction may result.

EQUALITY IMPLICATIONS	
The decision of this report does not have any equality implications and these will need to be considered in future decisions over development or use of the land. Potential future housing units would meet modern standards.	
SOCIAL VALUE CONSIDERATIONS	
The decision of this report does not have any direct social value. Potential future actions could lead to increased housing, increased efficiency and potential service improvement.	
IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2030	
The decision of this report will not impact the Council's net zero aim, however carbon consideration will need to be included in any future development plans.	
OTHER RELEVANT CONSIDERATIONS OR IMPLICATIONS	
Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.	
Crime and Disorder	The property on site whilst currently behind the hoarding is derelict and the land areas have attracted fly-tipping over recent years. In acquiring and providing a better use for this area, the antisocial behaviour problems will hopefully be resolved.
Health Inequalities	N/A
Area or Ward affected	Harwich & Kingsway

PART 3 – SUPPORTING INFORMATION

BACKGROUND
<p>This land and property and has been derelict and deteriorating for a number of years and TDC have been receiving complaints since 2017 with concerns the property is a dangerous structure. Complaints have also been received regarding the state of the hoardings around the site and fly tipping. Following recent adverse weather that severely damaged the hoardings around the land, TDC arranged for new hoardings to be placed around the site in order to secure it in the interest of public safety. The landowners were contacted in this regard and Officers were advised that the land was going to be put to auction unless TDC wished to purchase it prior to this.</p> <p>Following negotiations, the owner agreed to sell the land to TDC, subject to formal decision and the terms are set out in Part B of this Agenda.</p> <p>The property shown edged yellow on the plan in Appendix A is not part of the legal title and other methods to acquire this will need to be pursued. Any possessory rights accrued by the adjoining owner will be transferred to the Council.</p>
PREVIOUS RELEVANT DECISIONS
None

BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL

None

APPENDICES

Appendix A – Plan

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