PORTFOLIO HOLDER DECISION RECORD

Portfolio Holder: Councillor Boden, Leader & Portfolio Holder for Finance, Councillor Benney, Portfolio Holder for Economic Growth and Skills	Service: Housing & Community Support	
CMT Officer: Dan Horn, Assistant Director, Carol Pilson, Corporate Director and Monitoring Officer	Delegated Power Being Exercised: As part of decision CAB68/23 Part 3 - Responsibilities for Functions; Tables 4 and 5, paragraph [insert relevant paragraph number]: Table 5 7. To approve the acquisition or disposal of freehold land up to £250,000	
Subject of Decision: Compulsory Purchase Order - Willow View, March		

Decision to be Taken:

Cabinet agreed to the Compulsory Purchase of Willow View, The Chase, March on 18th March 2024.

<u>Decision - To approve to progress for a Compulsory Purchase Order utilising the Town & Country Planning Act powers for a long-term empty property in March - Fenland District Council</u>

This decision notice now confirms that the Council would like to proceed with General Vesting Date and then take the necessary action to dispose of the property in the following way.

Option 1 - Acquire and sell as is:

- Minimise the period of Liability for Council Tax
- Mitigate the financial risk of refurbishment costs
- FDC can control the risk on sale price by determining the reserve if sold at auction.
- The sale at Auction to include an obligation upon the purchaser to commence/complete works
 within a specified timescale to ensure the site is bought back into use as per the intentions of
 the CPO. This may be difficult to contractually achieve without it devaluing the sale, however
 the intention will be to try and have some effectual obligation upon the purchaser to this end.
- It is proposed to undertake clearance works to the plot, remove the garage and general waste, maybe to the sum of £10,000. This could have a beneficial effect upon the eventual sale price The S215 Town and Country Planning Act 1990 notice came into effect on 21 May 2024 and no appeal has been lodged. Therefore, the S215 could be implemented by completing works in default to clear the site (excluding the garage) with a charge placed on the property which could be recouped from compensation if and when this is paid. The use of the S215 notice has been confirmed by the Planning Committee.

Decision:

To:

- Conclude the CPO through to a General Vesting Date,
- Undertake clearance works to the plot, remove the garage and general waste

- Sell at Auction with a suitable reserve (agreed with the Portfolio Holder for Assets and the Leader)
- Subject to legal check, attempt to effect sale clauses to ensure the site is brought back into habitable use within a reasonable set period of time.

Legal and Procurement Implications

As set out above.

Financial Implications

Forecast £38,000 loss. That loss includes costs relating to enforcement over a 10-year period. This is also on the basis that a legal certified claim for the CPO valuation is made within a 6-year period.

Reasons for the Decision:

Any options for the Council to build and utilise for its own purposes have been discounted as in the current market property can generally be purchased cheaper than the Council would be able to build. There is therefore no financially advantageous scenario with new build.

All options to repair and retain (e.g. to provide Temporary accommodation TA) would not have a payback within the lifecycle of this Council with the focus to generate capital to support Fenland Inspire work.

The interest payable upon the compensation due to the family, should this be claimed, has been disregarded for all Options as it is a constant unknown. The Council should ideally mitigate this by putting this sum on deposit to accrue interest at the most beneficial level for the period of 6 years during which a claim could be made.

As soon as the property is marketed for sale the premium council tax charge can be removed reducing the cost of council tax to £2432.07.

Financials assume all VAT is recoverable.

Alternative Options Considered (if appropriate):

Option 2 - Demolish, seek planning consent for 2 bungalows and sell with consent:

This would mitigate the ongoing liability for Council Tax, but would incur the additional cost of demolition and planning application/architect's fees etc. This would total around £40,000 over the period of 12months. It would not be prudent to demolish prior to the grant of consent for redevelopment. It was felt therefore Option 1 was a better route

Option 3 – Refurbish to a good standard and sell:

After speaking with local agents and the valuer, advice on the completed value at a good standard of finish it was felt not prudent to undertake this option as it would expose the Council to the risk of variables to the final cost and the final sale price, if both ends of this equation moved negatively then the Council could end the project with an even larger loss.

Background/Reports/Information considered and attached:		
Portfolio Holder Signatures:	Date: 11 April 2025	
Councillor Chris Boden, Leader and Portfolio Holder for Finance		
Councillor Ian Benney, Portfolio Holder for Economic Growth and Skills		

Please forward to Democratic Services upon completion

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Date copy passed to Democratic Services 11/04/25	Implementation Date: 11/04/25 (if not called-in) (Allow 5 clear working days after publication of decision)

Circulation: Democratic Services, Portfolio Holder, Officer and Accountancy.