SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO:	Leader and Cabinet	9 June 2005
AUTHOR:	Housing and Environmental Health Director	

THREE HORSESHOES, 135 HIGH STREET, COTTENHAM – PROGRESS REPORT

Purpose

1. To update Cabinet on the progress being made in relation to the outstanding grant aided works at 135 High Street, Cottenham.

Effect on Corporate Objectives

2.	Quality, Accessible	None
	Services	
	Village Life	The property is, at present, slightly unsightly. As it is on the High Street it will enhance the village when completed.
	Sustainability	Environmentally friendly materials are being used and on completion the property will comply with the fitness standard
	Partnership	None

Background

- 3. On 21st February, 2002, Cabinet resolved that the owner of 135 High Street Cottenham, which had benefited from grant aid, be granted a period of 2 years, with a possibility of 3 years, to complete to the satisfaction of the Council, works at the property. This was to bring it up to the Fitness Standard as set out in a report prepared in February 2002. The remaining grant element would only be paid on completion of the work. If the work were not completed in the maximum timescale, the Council would then demand repayment of any grant already given. In addition, Cabinet wished to see the house being brought up to a minimum standard of habitation within the shortest possible timescale, with kitchen and bathroom as priorities.
- 4. The two year period was extended by Cabinet in March 2003 until September 2004.

Considerations

- 5. An Environmental Health Officer inspected the property on 22nd March 2005 to assess progress. The outstanding works at that time and the progress made are now shown in **Appendix A** to the current report.
- 6. Very little progress has been made in respect of the given schedule of works with one notable exception. A proper bathroom has been installed with hot and cold running water. This is in a ground floor room, not the one proposed previously, but the location is not significant.
- 7. Underfloor heating has been installed throughout the ground floor.
- 8. As previously reported, the Applicant's nominated contractor ceased trading in December 2002. The applicant claims that, contrary to information in the previous

report, he was tied into a contract and was unable to employ another contractor until the matter was resolved. This has now happened and a new contractor was working on site at the time of the officer's recent visit.

- 9. The Applicant has always insisted on carrying out his own, programmed schedule of works and his long-term aim is to bring the property up to a much higher standard than the basic fitness standard. To do this, he is following a logical sequence of programmed works. This has included additional works, not within the grant schedule and involves leaving the provision of a kitchen towards the end of the programme. This also means that the Applicant is unable to claim the outstanding grant sum, as this is dependent on the property reaching the fitness standard.
- 10. The Applicant has not complied with grant timescales, albeit those have been considerably extended. There have been mitigating circumstances as to why this has not happened, namely, since work started, 3 different contractors have ceased trading, the most recent one doing so while holding a sum of money from the Applicant.
- 11. If he is forced to pay back the grant sum already received, it may result in the property being left in its present unfit state or, worse still, being abandoned and left vacant, becoming a target for vandalism.

Options

- 12. (a) Deem applicant to be in contravention of grant conditions, declare grant null and void and claim back amounts already paid (£16,000)
 - (b) Take the long-term view that, providing he sticks to the programme which he has submitted and periodically updates, a derelict property will have been brought up to a high standard and returned to full occupation, thus enhancing the neighbourhood. The applicant would be required to state in writing that he agrees to the new timescale and confirm that he has sufficient resources to complete the works. If this option were to be considered, it would be necessary to ensure that there is no precedent where another applicant was forced to pay back grant aid for similar reasons. This option would be in line with previous decisions of Cabinet.

Financial Implications

 If amount is claimed back, the grants budget will have benefited by £20,000, i.e., £16,000 already paid and the outstanding amount of £4,000. However, lengthy legal action is possible which would be costly in financial and staffing terms and could outweigh the benefits.

Legal Implications

14. The Head of Legal Services has advised as follows: The applicant has given reasons for the further delay which are not unreasonable and largely beyond his control, bearing in mind the applicant's apparent lack of capital and his need to progress the works generally within his affordable income. Although the progress of works has not reflected the previously agreed timescale, the applicant has kept the Council fully informed with a recently submitted project plan and the desired result – barring unforeseen further difficulties – is clearly worth attaining in spite of the further period needed. The decision, under Article 13 principles, must be proportionate to the issues involved. This suggests that further time should be granted but this (further)

indulgence should be expressed, as before, to be without prejudice to the Council's right to reclaim the grant paid if the grant-aided works are not completed within the project plan timescale.

Staffing Implications

15. Decision to reclaim would put considerable pressure on existing legal and environmental health staff.

Risk Management Implications

16. Option (a) will almost certainly result in publicity. Whether this will be good or bad remains to be seen. On balance, it is likely that, if there is a lengthy, expensive, successful appeal, the publicity will be bad for the Council, given that the matter has been allowed to continue for 12 years.

Conclusions/Summary

- 17. In summary:
 - The works at this property have been ongoing for 12 years. It is anticipated that it will be made fit for human habitation by March 2007.
 - The applicant is following a sensible and logical sequence of works.
 - If works are prevented from progressing due to lack of funds, the result will be an empty, unfit and derelict property in a prominent position in a South Cambridgeshire village.
 - If works progress according to the Applicant's plans the result will be a property that will enhance the village.
 - The applicant has had progress hampered over the years due to 3 contractors ceasing trading, with at least one holding a sum of money that had been paid up-front.
 - The applicant is now employing a reputable, long established local firm (Rattee & Kett)
 - Reclaiming grant funding is likely to result in a lengthy, expensive legal battle.

Recommendations

- 18. It is recommended that Cabinet,
 - (a) Seeks written confirmation from the Applicant that, if he is allowed to follow his own logical programme of works, the property will be brought up to the fitness standard by March 2007, irrespective of any other desirable works still outstanding at that time. He must also confirm that he has the resources to do this.
 - (b) Allows the Applicant to complete works according to his own logical programme of works on the understanding that failure to achieve the fitness

standard by the due date will result in immediate action to reclaim grant funding.

- (c) Seeks provision of a new programme of works, showing only works essential to achieve the fitness standard under the Housing Act 1985 (see Appendix B), with achievable dates, which will be closely monitored by Environmental Health.
- (d) Considers whether or not a deferred action statutory notice under section 189 of the Housing Act 1985 (as amended) should be served. This would have the effect that the Council would be empowered to carry out work in default in the event of non-compliance. The cost of works would then become a charge on the property and would accrue interest until settled. Where significant sums were involved, there would also be power to enforce sale of the property afterwards.

Background Papers: the following background papers were used in the preparation of this report: None

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