

UPPER TRIBUNAL (LANDS CHAMBER)



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ACQ/358/2008

TRIBUNALS, COURTS AND ENFORCEMENT ACT 2007

COMPENSATION – compulsory purchase – dwelling house – absent and untraceable owner – valuation of freehold interest – compensation assessed at £90,000

IN THE MATTER of a NOTICE OF REFERENCE

BY

WOLVERHAMPTON CITY COUNCIL

Acquiring
Authority

Re: 29 Merridale Gardens, Merridale, Wolverhampton WV3 0UU

Determination on the basis of written representations pursuant to Rule 27 of the
Lands Tribunal Rules 1996 (as amended)

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DECISION

Introduction

1. This is a reference to determine the amount of compensation payable in respect of the compulsory purchase of the freehold interest in 29 Merridale Gardens, Merridale, Wolverhampton WV3 0UU (the subject property). The interest was acquired under the Wolverhampton City Council (29 Merridale Gardens) Compulsory Purchase Order 2006 (the CPO) by means of a General Vesting Declaration dated 25 September 2007. Possession was taken by the council on 26 October 2007, this being the valuation date for the purposes of this determination.

2. The acquiring authority has tried but failed to establish the current ownership of the property. It was known that it had belonged to one Hylton Casterick Clacken who died on 16 November 1969, but letters of administration had never been applied for. Attempts by the council's Private Sector Empty Property Team to trace the current registered owner have proved unsuccessful. I have read the witness statements of Natalie Healy, Neighbourhood Sustainment Officer, dated 20 May 2009, and Elaine Bowater, Legal Assistant (undated) setting out the procedures adopted and actions taken both to trace the owner and to effect the CPO, and am satisfied that all reasonable steps have been taken in that regard.

Evidence

3. Mr Errol Walker MRICS, a chartered surveyor with District Valuer Services – Wolverhampton Valuation Office, produced an expert valuation report dated 13 November 2009. He had inspected the property on 8 January 2008.

4. 29 Merridale Gardens is an end terrace house, constructed in about 1937 of rendered brick under tiled roofs and is located in a residential area about $\frac{3}{4}$ mile south west of Wolverhampton city centre. At the valuation date it contained two living rooms, kitchen and veranda at ground floor, with three bedrooms and bathroom at first. There were gardens to front and rear. Mr Walker said it was understood that the property had been unoccupied for some 15 years, and as a result was seriously neglected, had fallen into a state of disrepair and had been vandalised. Being in a semi-derelict state, it required extensive refurbishment, repair and modernisation to bring it up to acceptable modern habitable standards.

5. All of the original, rotted, timber framed windows were in need of replacement. Partial re-plastering was required internally, together with levelling of floors, re-wiring, re-plumbing and provision of a modern heating and domestic hot water system. The kitchen and bathroom required refitting, and the property was in need of complete redecoration.

6. The property was acquired as part of Wolverhampton's Empty Property Strategy under section 17 of the Housing Act 1985, to provide housing accommodation.

7. As to the freehold value, Mr Walker said that he had based his opinion of £90,000 upon comparable transactions within the vicinity at and around the valuation date, and that figure took into account the need for substantial expenditure for repair and refurbishment. For instance, 25 Merridale Gardens, a very similar property, had sold in March 2007 at £105,000 and was described as being in “fair condition”. 50 Owen Road was a 2 bedroom inner terrace house that had also sold for £105,000 in October 1996. 15 Yew Street, another inter-war 3 bedroom house, was sold in unmodernised condition in March 2007 at £94,000. The property market was continuing to rise, Mr Walker said, between the dates of these transactions, and the valuation date.

Conclusions

8. Having considered Mr Walker’s report, and the analysis of comparable transactions that he provided, I am satisfied that his opinion fairly reflects the open market value of the subject property as at October 2007.

9. I therefore determine that the council shall pay compensation in the sum of £90,000 into court.

DATED.....8 December 2009

P R Francis FRICS