

**UPPER TRIBUNAL (LANDS CHAMBER)**



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ACQ/356/2008**

**TRIBUNALS, COURTS AND ENFORCEMENT ACT 2007**

*COMPENSATION – compulsory purchase – dwelling house – untraceable owner – valuation of freehold interest – compensation assessed at £95,000*

**IN THE MATTER of a NOTICE OF REFERENCE**

**BY**

**WOLVERHAMPTON CITY COUNCIL**

**Acquiring  
Authority**

**Re: 2 Paget Street, Whitmore Reans, Wolverhampton WV1 4AR**

**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 2 Paget Street, Whitmore Reans, Wolverhampton WV1 4AR (the subject property). The interest was acquired under the Wolverhampton City Council (2 Paget Street) Compulsory Purchase Order 2007 (the CPO) which was confirmed by the Secretary of State on 27 July 2007. A General Vesting Declaration was made on 11 December 2007 and the property formally vested in the council on 10 January 2008, this being the valuation date for the purposes of this determination.

2. The acquiring authority has tried but failed to establish contact with the current owner of the property, believed to be the son of the former owner, Alex Bannikow, who died on 3 November 2003. 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 27 October 2009, Elaine Bowater, Legal Assistant, dated 28 October 2009 and Dawn Toy, Estates Surveyor, Property Services, dated 3 November 2009, 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 6 January 2010. He had inspected the property on 11 February 2008.

4. 2 Paget Street is a mid terrace house, constructed in the early 1900s of traditional rendered brick under tiled roofs and is located in a densely populated residential area about ½ mile north west of Wolverhampton city centre. At the valuation date it contained two living rooms and kitchen at ground floor, with two bedrooms, storeroom and bathroom at first. The accommodation had a gross external area of 115 sq m. There was a small garden to the front and a small overgrown garden to the rear. Mr Walker said it was understood that the property had been unoccupied for a number of years, and as a result it was seriously neglected and had fallen into a state of serious disrepair. Being in a semi-derelict state, it required extensive refurbishment, repair and modernisation to bring it up to acceptable modern habitable standards. The timber framed windows were rotten with broken glass, and all were in need of replacement. Internally, there was no central heating, kitchen and bathroom fittings were dated and damaged, some of the ceilings had collapsed, with holes in other areas, and there was considerable cracking to walls and plasterwork. Extensive replastering and redecoration was required.

5. 2 Paget Street was acquired as part of Wolverhampton's Empty Property Strategy under section 17 of the Housing Act 1985, to provide housing accommodation.

6. As to the freehold value, Mr Walker said that he had based his opinion of £95,000 upon comparable transactions within the vicinity at and around the valuation date. For instance, 15 Paget Street, a 3 bedroom inner terrace house of 112 sq m and which was modernised with replacement windows, was sold for £105,000 on 3 September 2007, and 28 Paget Street, a larger 3 bedroom house of 121 sq m and also modernised, was sold on 31 August 2007 for £118,000. In addition, a two bedroom terrace house of 93 sq m at 91 Bright Street (a poorer location) was shown with a figure of £105,000 in July 2007, and a 3 bedroom property of 96 sq m at 19 Bright Street was £115,000 in November 2007.

7. Mr Walker said that the property market, at the valuation date, had begun to stagnate due to recent interest rate rises and the normal seasonal lull, and some local agents were beginning to see falls in residential property prices.

### **Conclusions**

8. Having considered Mr Walker's report, and the analysis of comparable transactions that he provided, I am satisfied from the evidence that his opinion of value is not too low, and I accept it. Indeed, in view of his description of the condition of the property and the possible repair costs that this would imply, it appears to me that this amount may be generous.

9. I determine compensation in the sum of £95,000.

DATED 25 February 2010

P R Francis FRICS