

## **AGENDA ITEM**

### **REPORT TO COUNCIL**

**29<sup>th</sup> JUNE 2011**

### **REPORT OF CABINET MEMBER FOR REGENERATION AND TRANSPORT**

## **BILLINGHAM HOUSE UPDATE**

### Summary

Billingham House has stood empty and derelict for nearly 11 years despite requests from Stockton-on-Tees Borough Council for it to be refurbished or demolished by its owner Bizzy B. Stockton-On-Tees Borough Council served a notice pursuant to the Building Act 1984 in September 2007 to require the refurbishment or demolition of the building due to the detrimental impact of its ruinous and dilapidated condition. Bizzy B failed to comply with that notice, for which they were convicted at Teesside Magistrates Court in 2009. The Council commenced steps to demolish the building in default of compliance with the notice which is currently the subject of a Judicial Review by the Owners, Bizzy B, which is listed for hearing on 17 & 18 August in the High Court. Alternative proposals have been put forward by the property owner to refurbish and demolish the building including a recent proposal to refurbish the building by Python Properties. A petition supporting the current refurbishment proposal by Python Properties has been received by Stockton-on-Tees Borough Council.

The petition stated that they supported new office space; the potential for 1,000 new jobs; a community heritage centre and the regeneration of Billingham House. It contained 4,059 valid signatures; therefore exceeding the threshold of 2,000 signatures required for petitions to be debated at Council.

### **Background**

1. Billingham House became vacant in 1995, and was purchased by Bizzy B Management Limited (Bizzy B) in 2000 with a view to redevelopment. Concerns started to be raised by local residents and businesses about the state of the building and it being a target for vandals also about the safety of the surrounding people because of possible asbestos.
2. In 2002 Bizzy B applied for planning permission which was granted for the building to be partly demolished and used as offices. Although the application was approved, no actions followed by the owner to progress any works. There was no action on site during 2003 and the site was frequented by travellers as it was easily accessed.
3. In 2004 Bizzy B through David Kitchen Associates (their local agent) promised to demolish the building. Concerns continued to be raised by surrounding businesses about the condition of the site. Following these concerns the Council put Security on site to help to protect it.

4. In 2005, the building was again breached by unauthorised persons who set it alight creating more concern for local residents the police and the fire brigade
5. Bizzy B were served with a notice pursuant to section 79 of the building act 1984 in 2006 to repair and restore or demolish the building as it was considered to be seriously detrimental to the amenities of the neighbourhood by reason of its ruinous or dilapidated condition. This was supported by the Billingham Partnership. Bizzy B appealed against this notice by stating that it was not justified, that the Council had refused unreasonably to approve alternative works, and that the time given for Bizzy B to carry out works was unreasonable.
6. In 2007, both parties attended court at which Bizzy B agreed to demolish the building. The original Section 79 notice for the refurbishment or demolition was withdrawn and an agreed timetable for the demolition of the building was incorporated into a fresh section 79 notice which was served in September 2007. A new Section 79 notice for the buildings demolition is issued with the new timetable for actions by Bizzy B.
7. In 2008 the Council received a letter from Bizzy B explaining that they had now let a contract to remove the asbestos and demolish the building. A timetable for all the works to demolish was received from Bizzy B. However apart from some fencing being re erected around the site, little or no action had been made
8. As no actions had been made on site, despite Bizzy B agreeing to complete the works by the end of 2008. In 2009, the Council took Bizzy B to court for failing to comply with the section 79 notice. At court Bizzy B pleaded guilty and as well as costs were ordered to pay a fine of £2.00 per day until the section 79 notice was complied with.
9. In 2010, the Council assisted Python Properties with an application to apply for ONE funding subject to a Development Agreement being signed between Python Properties and Bizzy B by a deadline date of 30<sup>th</sup> September. No Development Agreement was signed by the deadline so the Council commenced works in default to demolish the building under the Section 79 notice.
10. The Council was also working up and submitted an application to ONE for funding towards the cost of the Demolition of Billingham House. This was a second option for action should the agreement between Python Properties and Bizzy B not be signed by the deadline.
11. In October 2010, the Council initiated demolition action.
12. Bizzy B notified the Council that a Development Agreement had now been signed with Python Properties (23<sup>rd</sup> November 2010)
13. During 2010 / 2011 Officers from the Council and representatives for Bizzy B and Python Properties met to enable further details of the Development Agreement and the proposals to be put to the council.
14. The Council re iterated its stance to proceed to demolish the building under the Section 79 notice. This was because the Development Agreement did not provide the necessary assurances and guarantees or reference to any existing costs being covered. A tender process was followed and a demolition contractor has been appointed pending the outcome of the ongoing legal actions.
15. The Council have also received a petition from Billingham Town Council and the Northern Area Partnership which clearly asked if the respondents wanted to see the building demolished. Respondents for this petition were mainly from the area surrounding the building in Billingham. This petition clearly called for Billingham House to be demolished as people had waited long enough for something to happen to remove the blot on the landscape. The petition had 1016 valid signatures.

16. The Barristers for Stockton Borough Council and Bizzy B attended Court in March 2011 as Bizzy B had served an application for an injunction against Stockton Borough Council to prevent the property from being demolished pending an application they had made for a Judicial Review on the decisions made by Stockton Borough Council. The case was adjourned until May 2011
17. The Council Officers submitted a Screening Opinion to Planning Services to establish if a full Environmental Impact Assessment would be required for the site. The Screening opinion confirmed that the demolition was not EIA Development and did not require a EIA
18. Both parties attended Court in May 2011 however because of recent planning changes with regard to Planning requirements for demolition, at the request of Bizzy B, the court again adjourned the case until June 2011 while further details on planning were due to be examined.
19. Stockton Borough Council Officers then submitted a Planning Application to Demolish Billingham House. The application was scheduled to be considered by the Planning Committee earlier today (29<sup>th</sup> June)
20. Both parties attended court in June 2011 Bizzy B agreed to an adjournment but requested that the case be adjourned until October/ November 2011. The Council asked for a speedy hearing. The judge agreed to a speedy hearing and the case was adjourned until August 2011 pending the Planning outcome and to allow Bizzy B time to review the Planning Application.
21. The next court hearing is scheduled for 17<sup>th</sup> and 18<sup>th</sup> August 2011