

Report for: Housing & Regeneration Scrutiny Panel, 28 June 2022

Title: Empty Homes Policy Update.

Report authorised by: Eubert Malcolm, Assistant Director, Stronger and Safer Communities.

Lead Officer: Lynn Sellar, Private Sector Housing Team Manager.

Ward(s) affected: All

**Report for Key/
Non Key Decision:** For information

1. Describe the issue under consideration

- 1.1 The Housing & Regeneration Scrutiny Panel has asked for a briefing paper on the work being undertaken in line with the Council's Empty Homes Policy which was revised in June 2020. This paper provides some background and information on the work being undertaken to bring empty homes back into use.

2. Recommendations

The Scrutiny Panel is asked to note this briefing paper.

3. Reasons for decision

Not applicable.

4. Alternative options considered

N/A

5. Empty Homes Policy Update.

Background

- 5.1 The Council Relies heavily on Council Tax data to classify the empty homes within our Borough. There are two broad categories of empty homes, Transactional and Long-term.
- 5.2 Transactional empty homes are part of the normal cycle of letting, renovating, buying and selling property. This cycle is by far the main reason that homes are left empty: In line with other authorities, the Council does not seek to intervene where a home has been left empty for less than six months. As such, these homes are not counted in local, regional or national analyses of empty homes.

- 5.3 Long term empty homes are classed as dwellings that have been empty for more than six months, however certain important exceptions that are set out in 5.4 below apply.
- 5.4 Certain categories of dwellings that have been empty for more than six months are exempted by Council Tax legislation from any 'empty homes premium' and as such are not classified as an empty home. The Council does not seek to intervene in these cases. These include homes that are empty because:
- the owner is in hospital, prison, or care
 - the owner has moved out to give care to another
 - it has been repossessed by a mortgage lender
 - probate has not been granted
 - occupation is prohibited by law
- 5.5 **Substantially furnished'** empty homes cannot be treated for Council Tax purposes as an empty home either. Except where there is good reason to believe that an owner has obtained the classification dishonestly, the Council does not seek to intervene in these cases for the most part, these are classed as 'second homes' - any dwelling which is not the 'sole or main residence' of any individual. It is for the billing authority to decide in the first instance whether a property is anyone's 'sole or main residence'.
- 5.6 In today's market it is common for empty homes defined as transactional empty homes to be left empty for longer than the 6 month period originally applied to the definition. With the buying and selling process now taking longer, the demand for builders outweighing supply and the time that it can now take to get architect plans and or planning permission many of the borough's long-term empty homes are actually transactional by definition and not long-term empty homes. In these circumstances this type of empty home is not being investigated by the empty homes officer as its not deemed necessary at this stage.
- 5.7 Our focus is to investigate those long-term empty properties that have become or are causing a nuisance to neighbours and the community. These types of empty homes become run down, fall into disrepair, have overgrown gardens and become a hub for crime, attract vandalism, anti-social behaviour, as well as becoming a target for arson.
- 5.8 Some of the most common barriers that exist for owners of long-term empty properties from returning their property back into use include:
- issues with inheritance and/or delays with probate.
 - lack of finance to carry out necessary repairs and refurbishment.
 - the owner may be in hospital or residential care.
 - the owner lacks the personal ability to deal with the property.
 - following the death of an occupant the ownership of the property may be unclear.
 - problems with achieving a sale.
 - perceived problems associated with letting of properties.
 - owner unwilling to bring the property back into use.
- 5.9 The procedure for intervening in empty homes is structured and based on impact, risk and the public interest test. Our interventions for bringing empty homes back

into use are intentionally focussed on currently vacant privately owned residential dwellings and the circumstances in which they remain unoccupied. Having a co-ordinated approach to dealing with empty homes enables us to support wider strategic outcomes around our homelessness priorities, anti-social behaviour and tackling wider housing issues associated with our private rented sector.

- 5.10 Wherever possible we will use informal action to help and encourage owners of empties homes return those property back into use. When this fails or when a property has been empty for many years and or is now blighting a neighbourhood formal action is sought.
- 5.11 The Law of Property Act 1925 allows local authorities to recover charges through the sale of the property. Enforced sale is a procedure to recover debt which amounts to over £1000, but it can also serve as a way of bringing an empty property back into use. This will be instigated by the Recovery team in the Revenues department at the council.
- 5.12 Compulsory Purchase Orders are available for empty properties under housing powers. Government guidance provides that compulsory purchase is intended to be a last resort. A compulsory purchase order (CPO) is made by a local authority but is not effective until it is confirmed, by the Secretary of State. Once confirmed, the CPO gives the local authority the power to compulsorily purchase property.
- 5.13 Cabinet makes the decision to seek compulsory purchase. It is crucial that attempts to communicate with the owner are made throughout the entire process, our process includes 5 enforcement letters which are all sent with a minimum one month between each letter. Once Cabinet have decided to seek compulsory purchase, the Council will follow the statutory prescribed process accordingly. Local Authorities CPOs will not be confirmed by the Secretary of State unless it can demonstrate that all necessary funding is likely to be available and so the funding of any purchase needs to be identified prior to seeking Cabinet approval for the making of a CPO.
- 5.14 The revised empty homes policy became live in July 2020 and a list of empty homes produced by Council Tax for the purposes of this piece of work was produced.
- 1, 188 Empty Homes were included on the list
 - 284 had been empty for more than 2 years
 - 63 for more than 5 years
 - 25 for more than 10 years.
- 5.15 The Empty Homes lead within the private sector housing team has, over the last two years (taking account of Covid restrictions) reviewed all 1,188 empty homes currently on the council tax list. Using the definitions and exemptions given above this list was analysed using desk top analysis as well as onsite investigations and inspections. The table below gives a breakdown of the outcomes of this piece of work which has focussed predominantly on those property which had been empty for 5 or more years initially

5.16

Investigative outcome	Number of properties affected.
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Empty Homes now Occupied (Owners not informed Council Tax)	33
Empty Homes exempt from action	16
Empty Homes being Monitored for progress	23
Empty Homes in the formal enforcement process	16
Total properties 5 years and older	88

- 5.17 There are 284 properties that are long term empty homes vacant for between 2-5 years. We have been prioritising the empty homes from this list which are blighting the community.
- 5.18 We now have 28 Empty Homes that are within the enforcement process. 8 of these require a decision on whether we use Enforced Sale or CPO as the next course of action.
- 5.19 Next steps are to take the homes requiring enforced sale or CPO to a decision-making panel and agree the most appropriate enforcement route. The list of empty homes is a live document and new properties are continually added or removed. We will continue monitor those which are currently being brought back into use and we will continue to focus our enforcement actions on those empty homes which blight our communities.

6. Contribution to strategic outcomes

- 6.1 Priority 3 Place – Improving community confidence reducing the fear of crime within our built environment.
- 6.2 Priority 5 Housing – Bringing empty homes back into use support the council's drive to provide housing for those who need it within our borough.
- 6.3 Having an empty homes policy is a key strategic requirement of the Housing Act 2004 Part 3 in supporting a local authorities' discretionary powers to introduce Selective property licencing. The Council have just made an application to Department for Levelling Up Housing and communities (DLUHC) for a selective property licensing scheme within a specific designation of our borough. We are currently awaiting the outcome of their decision to approve or reject our application.

7. Use of Appendices

8. Background documents

- 8.1 Empty Homes Policy

9. Local Government (Access to Information) Act 1985