

Empty Homes Policy

March 2016

Empty Homes Policy 2016

1.	Executive Summary	3
2.	Introduction	3
3.	Why do we have empty homes?.....	4
4.	National Context	5
5.	Local and corporate context	6
6.	Previous achievements	7
7.	Our approach and the options available to bring empty homes back into use	8
	a) Identification, evidence, awareness and review	8
	b) Working with empty property owners.....	9
	d) Options for further enforcement action include:	10
	1) Enforced Sale	10
	2) Compulsory Purchase Order (CPO)	10
	3) Empty Dwelling Management Order (EDMOs)	10
8.	Monitoring and review of this policy	10
9.	Annex A: Risk Assessment - Levels of Risk	11
10.	Annex B: Risk Assessment – scoring method	12
11.	Annex C: Relevant Legislation	13

1. Executive Summary

In Lichfield district there are approximately 985 empty homes¹, however a third of these are exempt from council tax as they belong to people with various specific and often complex reasons for owning a property that they do not live in, for example, those who have moved into permanent residential care or are owned by deceased persons pending probate. As it is unlikely that we will be able to bring any of these back into use in the short term, our efforts will be concentrated on the remaining 669 homes that are empty.

The majority of the 669 homes are only expected to be empty for a brief period as they are in the process of being sold or re-let². Homes that are left empty for longer periods however can be a magnet for vandals, arsonists and other anti-social behaviour which can cause deterioration to the property and the community in which they are located, and it is these longer term empty homes that are the main focus of our policy.

In the face of a growing population, a challenging housing market, homelessness and pressure on local authorities to make the best use of housing stock in their area, empty homes are a wasted resource and the overall purpose of this policy is therefore to provide a coordinated approach for the council to reduce the number of empty homes in the district.

Lichfield District Council will take a risk based approach to tackling empty homes and when dealing with empty property owners, a voluntary way forward will always be preferred to encourage the owner to improve the condition of the property and facilitate re-occupation. Advice and assistance will always be offered first, which in the vast majority of cases will be sufficient. However in more severe cases when owners are not cooperative, cannot be traced, or are unwilling to enter into a voluntary dialogue with us, the council will consider use of the enforcement powers available to us, such as compulsory purchase and enforced sale.

This policy sets out the key priorities and issues concerning empty homes in the district and provides a framework for council officers to follow to try to bring empty homes back into use.

2. Introduction

The council has developed this policy to try and reduce the number of long term empty homes in the district. By taking action and bringing empty homes back into use, the following can be achieved:

¹ 985 homes were empty according to council tax records at October 2015 (Source: Form CTB) of which 316 were empty but exempt from council tax (see <https://www.lichfielddc.gov.uk/Residents/Council-tax/Council-tax-discounts-and-exemptions.aspx> for a list of all empty home exemptions and discounts). This means that 669 empty homes were liable for council tax. Of the 669 homes, 283 were empty for over 6 months and a 100 of these were empty over two years.

² These are known as transactional empties and will generally be empty for up to 6 months. 386 homes were empty for less than 6 months at October 2015. (Source: Form CTB).

For the community: improving neighbourhoods, increasing property values and increasing the likelihood of investment in an area can contribute significantly to residents' pride of place. Reduced (opportunity for) crime and anti-social behaviour (vandalism, arson, fly-tipping, squatting), and reduced dangers to the public (from potentially dangerous buildings and vermin) can increase residents' feelings of community safety and wellbeing. Returning homes to residential use will also create opportunities to meet local housing needs and may reduce homelessness.

For the owners: Helping owners bring an empty property back into use can enable them to generate income (rental yield or capital), increase security on their property, reduce costs and unlock a wasted resource. In some cases, resolving the issue of an empty property can relieve significant stress and anxiety, this in turn would have a positive impact on their demand for health and wellbeing services.

For the local economy: To reduce demand on public services (police, fire, other council departments such as planning enforcement, environmental health, waste services). Returning properties to residential use could also increase opportunities for work and business for local builders and related trades.

Responsibility for taking action on empty properties falls across several council teams: housing strategy, environmental health, planning enforcement and revenues and benefits. As well as the ongoing dialogue between officers, an Empty Property Working Group meets regularly to ensure that appropriate coordinated action is being taken and will act as the monitoring group for this policy.

To be consistent and target resources effectively, the council will take a systematic approach to risk assessing and appraising options for empty properties when informal and voluntary measures are insufficient.

3. Why do we have empty homes?

Homes may be empty for a number of reasons. There will always be a certain number of properties which are unoccupied during a transactional process of sale or re-letting and these are generally not a cause for concern. Long term vacant and/or nuisance properties are the main subject of this policy and the most common reasons for their occurrence are:

- Lack of funds available to enable owners to do repairs or renovation works where the property requires modernisation
- Inheritance issues where new owners may be reluctant to let or sell an inherited property; lengthy probate or legal disputes
- Family/business disputes
- Repossession; repossessed properties can incur complex legal proceedings

- Planning developments; empty properties included in the catchment area of large sites earmarked for re-development often remain empty for the duration of the planning consultation period
- Lack of information, advice or assistance for owners where the owner may not know their options
- Housing market conditions make the property difficult to sell/let
- Land banking, investment/retirement purchases
- Lethargy/indifference: often including owners of multiple properties, where returning the property to use is not a priority
- Obstruction where owners simply refuse to bring their property back into use
- Owners have moved into residential/nursing care

4. National Context

The Department for Communities and Local Government (DCLG) classes “problematic vacancies” as those that are inactive in the housing market and have been empty for more than six months.

There have been several central government publications focused on the problem of empty homes, or that contained references to it. These include the 2003 publication ‘Empty property: Unlocking the Potential’, published by the Office of the Deputy Prime Minister and in 2006, a government White Paper encouraged local authorities to develop positive policies in regard to returning empty homes to use.

The government has placed considerable emphasis on the importance of returning empty homes to use and the 2011 Housing Strategy document, ‘Laying the Foundations’ stated: *‘We are committed to bringing empty homes back into use, as a sustainable way of increasing the overall supply of housing and reducing the negative impact that neglected empty homes can have on communities’.*

New homes bonus: DCLG introduced the New Homes Bonus (NHB) in February 2011 which is designed to create an effective fiscal incentive to encourage local authorities to facilitate housing growth. As well as providing a bonus for new affordable homes being built, the incentive recognises that empty properties returned to use also provide additional accommodation and the number of empty homes at the beginning of October each year is used in the calculation of NHB. The current scheme is in place until March 2017, however in the November 2015 Comprehensive Spending Review the government announced that there would be consultation on reforming the New Homes Bonus which will include proposals to reduce the length of payments from 6 to 4 years.

Planning policy: Paragraph 51 of the National Planning Policy Framework, published in March 2012 highlights the expectation that local authorities will address the empty homes issue locally: *‘Local planning authorities should identify and bring back into residential use empty housing and*

buildings in line with local housing and empty homes strategies and, where appropriate, acquire properties under compulsory purchase powers’.

Council Tax: The Local Government Act 2012 introduced technical reforms to council tax, enabling local authorities to determine local levels of discount for certain classes of dwelling. In January 2013, Lichfield District Council Cabinet decided to grant 50% discount on properties undergoing structural work for up to 12 months, 100% discount for up to 2 months on dwellings which are unoccupied and substantially unfurnished and to levy the maximum allowable premium on properties that have been unoccupied and unfurnished for two or more years. Since April 2013, council tax levels for properties empty for longer than two years has been set at 150%.

VAT: The VAT chargeable on renovation works has been reduced to 5% for properties empty for over two years and 0% on properties empty for over 10 years. The council can provide evidence that a property has been empty from council tax records to owners of an empty home to enable them to claim these VAT discounts.

5. Local and corporate context

As at October 2015, there were 985³ empty homes in Lichfield district, a third of which were exempt from council tax as they belong to people with various specific and often complex reasons for owning a property that they do not live in. For example, those who have moved into permanent residential care, members of the armed forces, properties owned by deceased persons pending probate, those owned by charities, plus a number of unoccupied annexes. As it is unlikely that we will be able to bring any of these back into use in the short term our efforts will be concentrated on the remaining 669 empty homes. Over half⁴ of these had been empty for less than 6 months and are considered transactional i.e. they are in the process of being sold or re-let and only 100 have been empty for longer than 2 years and were subject to the 150% council tax charge.

Between January 2014 and December 2015 there were 29 enquiries or complaints to the council about empty homes in the form of telephone calls, letters and emails from members of the public or their representative councilors. Complaints were mainly about properties being untidy and causing detriment to the amenity of the local area.

There is a significant need for affordable housing provision in Lichfield district; the number of households registered on the waiting list for social housing at 1st April 2015 was 1146. This housing need is not only reflected in the numbers on the housing register but also in property prices which are generally higher in the district compared to others in Staffordshire County and

³ Source: CTB form October 2015. On the CTB return 985 homes were empty, of which 316 were exempt from council tax leaving 669 empty homes liable for council tax.

⁴ Of the 669 homes, 386 were empty for under 6 months and 283 for over 6 months.

to the West Midlands Region as a whole. The average property price in Lichfield district is £268,248⁵ which is unaffordable for many, particularly first time buyers and there is also a smaller than average social housing sector (15%) and private rented sector (10%) which limits housing choice for many people. The relatively small private rented sector also has higher than average rents leading to affordability problems for many households.

A new Strategic Plan for 2016-2020 is currently being developed which contains an emerging priority to have 'clean, green and welcoming places', and minimising the number of empty homes will contribute towards this.

The Lichfield District Housing Strategy 2013-2017 contains an aim "to ensure that best use is made of existing housing stock". To help achieve this the delivery plan contains an action to "work to minimise the number of long term empty homes in the district and increase the number back into use".

The Housing Strategy is supported by a number of other corporate strategies and policies:

- [Lichfield District Homelessness Strategy and Review 2013-2017](#)
- [Planning Enforcement Plan 2013](#)
- Revenues and Benefits Debt Recovery Policy for local taxation
- Environmental Health Enforcement Policy

6. Previous achievements

In September 2015 a company called Capacity Grid assisted the council to help review empty homes that were recorded on the council tax register. Capacity Grid wrote to homeowners asking if their property was occupied or not and where there was no response an inspection of the property was carried out. Capacity Grid found 124 properties which were previously thought to be empty, were in fact occupied and these have now been re-classified giving the opportunity for the council to obtain previously unknown council tax liability and payments.

In March 2015, the Cabinet gave approval for the use of Compulsory Purchase Powers to acquire a property in Burntwood under Part II, s17 of the Housing Act 1985 and bring it back into use after it had stood empty for 13 years. The property had been the subject of a complex legal situation where an owner could not be clearly identified and interested parties were unable to reach a solution independently. The council had made numerous attempts to intervene and officers from multiple departments responded to over 20 enquiries and complaints over 7 years, before it was considered that a compulsory purchase order (CPO) was the most suitable option.

⁵ Source: Hometrack August 2015

Planning enforcement, housing strategy and council tax recovery teams have also worked together previously to bring about the enforced sale of a long-term empty property which was a blight on the landscape, causing distress to local people and whose owner had accrued council tax debts. Pictured below are the before and after images of the house that was brought back into use through enforced sale.



Figure 1 BEFORE



Figure 2 AFTER

7. Our approach and the options available to bring empty homes back into use

Local authorities have a number of legal powers to ensure that empty homes are brought back into use, however there is no statutory duty to do so. We have limited resources available so we must focus our work and prioritise the properties that we target for action. With this in mind our approach will depend on the associated risks and severity of the impact that an empty home is having on those affected by it and the availability of resources to deal with it. The various stages of our approach are as follows:

a) Identification, evidence, awareness and review

Identifying empty properties will be an ongoing process, one that will depend upon the co-operation of the public. Members of the public can report an empty property to the council in various ways, details are available on our website⁶ and on receipt of the enquiry we will check whether the property is on the Empty Homes Register and consider the need for action.

The council will also use the information sources we have available internally, particularly council tax information and links with other services including planning enforcement and environmental health to identify and record evidence relating to empty properties. In planning enforcement, when complaints and enquiries are made relating to untidy sites, those that are found to be about empty homes will be categorised as such to make information sharing with other teams more

⁶ <https://www.lichfielddc.gov.uk/Residents/Housing/Housing-strategy/Empty-properties.aspx>

straightforward. We will establish ownership (where possible) and make contact with owners to decide on action needed and to update the Empty Homes Register accordingly.

Periodic surveys/questionnaires will also be conducted with owners of empty homes to establish reasons why properties are being left empty, to see if any help or advice can be given and encourage owners to bring them back into use.

b) Working with empty property owners

The council will try to give the homeowner every opportunity to bring their property back into use on a voluntary basis. The council will seek to work with the owner to identify the range of options available to them and to help meet their needs and preferences. This may include practical guidance on:

- letting/leasing/custodian schemes
- property valuation
- building regulations and planning
- financial assistance/support that may be available.

If the owner does not respond or implement any agreed option to bring the property back into use, the council will consider options for any enforcement action.

c) Assessing Risk

When we receive a complaint about an empty home we will refer to, or complete a risk assessment (see Annex A and B) which will determine the need for further action in accordance with the level of risk associated with the property. To ensure that the risk assessment is completed with full and current information, officers will undertake all necessary investigations, including obtaining information from the Empty Property Working Group and carrying out site visits.

The housing strategy team will also do a review or complete a risk assessment for all homes on the Empty Homes Register that have been empty for longer than two years and are subject to the 150% premium on an annual basis.

In accordance with the risk assessment, homes will be classified into bands (Low, Medium and High Risk) and action taken as follows:

Low Risk: advice and guidance.

Medium Risk: advice and guidance plus regular communication with the owner. This may include initial enforcement action.

High Risk: advice and guidance as above plus consideration of further enforcement action to bring the property back into use.

It is likely that empty homes, particularly those in the medium/high risk categories will be subject to the various enforcement policies in operation throughout the council, for example planning enforcement for untidy properties or revenues and benefits for recovery of unpaid council tax. The legislation to enable this is detailed in Annex C. Whilst these policies may encourage owners to take greater responsibility for their homes, it is recognised that initial or low level enforcement action will be unlikely to bring homes back into use. For empty homes found to be a high risk according to the risk assessment in this policy, subject to further scrutiny and availability of resources, the council may decide to take further enforcement action to bring the property back to use and occupation.

d) Options for further enforcement action include:

1) Enforced Sale

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, but can also serve as a way of bringing an empty property back into use. This will be instigated by the Recovery team in the Finance, Revenues and Benefits department at the council.

2) Compulsory Purchase Order (CPO)

Section 17 of the Housing Act 1985 allows for the service of a CPO on a single property. Multiple properties can be subject to a CPO under Section 226 (as amended by the Planning & Compulsory Purchase Act 2004) of the Town & Country Planning Act 1990, for the “provision of housing accommodation or to make a quantitative or qualitative improvement to existing housing for the promotion or improvement of the economic, social or environmental well-being of their area”.

3) Empty Dwelling Management Order (EDMOs)

EDMOs were introduced by the Housing Act 2004⁷ and empower local authorities to take control of the management of an empty property in order to secure its occupation. An application must be made to a Residential Property Tribunal which may authorise a local housing authority to make an interim EDMO in respect of a dwelling.

8. Monitoring and review of this policy

The policy will be monitored by the Empty Property Working Group and an annual summary will be produced which will consider the number of enquiries and complaints about empty homes, the number of empty homes recorded on the CTB annual return and the amount of enforcement action taken. Upon analysis of this, the housing strategy team will consider the need for any revisions to the policy on an annual basis.

⁷ Chapter 2 of Part 4 of the Housing Act 2004 deals with the making of interim and final empty dwelling management orders which may be made by local housing authorities in respect of dwellings which are wholly unoccupied.

9. Annex A: Risk Assessment - Levels of Risk

Band	Risk Assessment	Action
Low	16-30 points	Emphasis will be on advice and information to support and encourage the owner to take voluntary action to bring the property back into use.
Medium	30- 45 points	Regular written communication with the owners setting out advice to encourage the owner to bring the property back into use. This may include initial enforcement action to complete certain improvements but may not bring it back into use.
High	More than 45 points	Actions detailed in the Low and Medium categories above plus consideration of enforcement action, both formal and informal, in every case where appropriate (using a range of legislation available- please refer to Annex C).
Second/holiday homes and other homes empty less than 6 months	Less than 15 points	These properties may be second/holiday homes or homes that have only been empty for a short period of time and the owner will be actively bringing it back into use. No action.

10. Annex B: Risk Assessment – scoring method

1.	Length of time vacant	6 months – 2 years	1
		2- 3 years	2
		3- 5 years	3
		More than 5 years	5
2.	Appearance	Minor detriment to amenity	3
		Major detriment to amenity	5
3.	Dangerous structure	Likely with further deterioration	2
		Yes	5
4.	Nuisance	None	0
		Minor	3
		Significant	5
5.	Overgrown garden	Yes	3
6.	Appearance of surrounding properties	Good	5
		Fair	3
		Poor	2
7.	Marketability/habitability	Saleable in present condition	0
		Needs some improvement/repair	1
		Needs substantial renovation before occupation	3
		Not repairable at reasonable cost	5
8.	Decent home standard / presence of Category 1 Hazards	Meets Decent Home Standard	0
		One Category 1 hazard	3
		Two or more Category 1 hazards	5
9.	Ownership	Contactable and responsive	1
		Contactable but not responsive	3
		Not contactable/unable to trace	5
10.	Owners attitude	Non-compliant/uncooperative	5
		Some cooperation/compliance	3
		Willing and compliant	1
11.	Enforcement history	Some informal action previously	3
		Statutory notice/work in default	5
12.	Social impact	Incidents of arson/fire	5
		Incidents of fly tipping/vandalism	3
		Associated with ASB	5
		Infestation by vermin	3
		Incidents of squatters	5
13.	Housing Need for the property	High housing need	5
		Average housing need	3
		Low housing need	0
14.	Housing Need in relation to size	1 or 2 Bed property	5
		3 Bed property	2
		4 Bed property	2
15.	Number of unique complainants making a complaint within a 12 month period	1	1
		2-4	3
		5+	5
16.	Discretionary points	If there have been multiple incidents resulting in a social impact during a 12 month period or if by taking action, a positive outcome will ensure an identified specific housing need is met (i.e. a home for a disabled resident)	Up to 10

11. Annex C: Relevant Legislation

Housing Act 1985 and Housing Act 2004: The Act allows the local authority to take appropriate enforcement action to remove Category 1 (an implied duty) and Category 2 (a discretionary power) Hazards. This may be achieved by the service of:

- An Improvement Notice (Section 11),
- A Prohibition Order (Section 20),
- A Hazard Awareness Notice (Section 28),
- A Demolition Order (The Housing Act 1985 Section 265); or
- Declaration of a clearance area (The Housing Act 1985 Section 289)

Prevention of Damage by Pests Act 1949: Sections 2-7 allow the local authority to serve a notice requiring an owner to clear any land of vermin, remove waste/deposits/accumulations likely to attract vermin.

Local Government Miscellaneous Provisions Act 1982: Section 29 allows the local authority to undertake any works necessary to prevent unauthorised entry or to prevent the building from becoming a danger to public health.

Environmental Protection Act 1990: Section 80 notice to abate a statutory nuisance - allows the local authority to serve a notice to abate a statutory nuisance. Any accumulation or deposit that is prejudicial to health or a nuisance could be dealt with using this power.

Building Act 1984: Sections 77, 78 and 79 can be used to require the owner to make a ruinous or dilapidated property safe or to enable the local authority to board the property up. Section 59 of the Building Act 1984 enables the local authority to serve notice on the owner to make satisfactory provisions for drainage where not currently in place, includes sewers, drains and rain water pipes that are currently in disrepair or missing.

Town and Country Planning Act 1990: Section 215 allows the local authority to serve a notice requiring an owner to take steps to remedy unsightly land or the external appearance of a property. This can be a significant tool for dealing with vacant and occupied properties that are an eyesore. At the council this legislation is enforced by the Planning enforcement team.

Public Health Act 1936: Section 83 Filthy and Verminous Premises and Section 84 Cleansing or Destruction of Filthy and Verminous Articles enforcement measures are available to a local authority to deal with premises that are in a filthy and unwholesome condition to be prejudicial to health or verminous and also articles that are filthy and verminous respectively.

The Law of Property Act 1925: Provides the power to recover costs incurred through works in default by enabling the sale of a property to organisations committed to ensuring that it is improved and occupied.

Limitation Act 1980: Section 20 powers enabling enforced sale; service of statutory notices under these provisions are most likely to give rise to relevant debts to be pursued by enforced sale.