

# **Draft Empty Homes Policy (Private Sector)**



**February 2022**

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## 1. Introduction

The council has recently approved a new Housing Strategy. The strategy runs from 2021-2026 and can be found at [www.nwleics.gov.uk/pages/policies\\_and\\_strategies](http://www.nwleics.gov.uk/pages/policies_and_strategies)

This policy document describes in more detail the key themes around housing in terms of:

- **Supply**
- **Demand**
- **Affordability**

Bringing empty homes back into use supports the key supply theme of the Housing Strategy. As of 31 March 2020 86% of homes in North West Leicestershire were in the private sector. The empty homes policy details legislation that will deal with bringing privately owned empty homes back into use therefore the aim of the policy is to increase the number of privately owned properties back into use to help with overall supply within the district.

In 2020, 220,000 homes in England were recorded as Long Term Empty, i.e. empty for 6 months plus.

Local authorities receive a grant paid by central general government called the new homes bonus, which reflects and incentivises housing growth in their areas. This is based on the amount of extra Council Tax Revenue raised for new build homes, conversions and long- term empty homes brought back into use.

## 2. Background

### 2.1 How many empty houses are there in North West Leicestershire, and why?

In January 2022 there were 897 privately owned empty houses in North West Leicestershire. The table below indicates how long they have been empty for:

<b>Empty for?</b>	<b>Number</b>
Less than 6 months	439
6 months – 1 year	196
1 – 2 years	124
2 years plus	138
<b>Total</b>	<b>897</b>

Source: North West Leicestershire District Council Tax Records 1 January 2022.

There are some empty houses that are not recorded by the government:

- Some homes still being built
- Rooms in houses in multiple occupation
- Some types of homes provided for older people

There are several types of houses which are not included in the reported figures of January 2022. Some of these include:

- Repossessed property
- Property belonging to a person in detention
- Second homes
- Property waiting to be occupied by a minister of religion

## 2.2 Why are houses empty?

### Houses are empty for different reasons:

- **The house may be for sale or for rent, being refurbished or adapted.** These houses are usually re-occupied within a few months. However, there can be delays, for example where the occupier has died and there are problems over inheritance and probate. The owner may run out of money to refurbish the house or may expect more money for a house than the market value.
- **The house may be in poor repair.** The condition of the house may have deteriorated whilst it has been empty, or it may have been left in this condition when the previous occupier moved out.
- **The house may be empty because it will be replaced as part of a regeneration scheme.** Parts of North West Leicestershire are currently being affected by the proposed HS2 route, leaving many houses empty.

### Empty Homes work has found that:

- Owners may choose to keep a home empty if they own more than one in the same 'block' and they would like to do something when a number of homes become available
- Owners may have sentimental attachment to an inherited property, and may wish to keep the property in the condition in which it was left to them.
- Owners may wish to keep a home empty because they have had a bad experience of tenants. It may be preferable in the current housing market to leave a house empty until it can be sold.
- The time taken to renovate homes can take some time, and often longer than expected
- It is easier to sell a vacant property and the home will be empty for at least 3 to 4 months to do this, bearing in mind how long it takes to market the property
- Owners may not be able to live in the property due to poor health, detention, or work postings.

## 3. What have we already done about empty houses?

In 2008 and 2012 the council published empty property policy. Despite limited funding the council, in 2016, appointed a full time Empty Homes Officer who now has knowledge of where empty homes are located across the district

Since 2016 risk assessments have been taking place to highlight problem properties based on the type of property, location, condition, and generate a risk score. Work has also taken place to bring properties back into occupation, with some success.

The council offers a number of benefits for owners working with them, including referrals to estate agents offering reduced fees, or to organisations such as charities who will renovate and lease the houses to their tenants. The council has also held landlord forums for a number of years, and the housing department has viewed some empty homes with a view to making acquisitions for adding to the housing stock in the future.

Since 2016 a significant number of enforcement notices have also been raised against empty homes owners, to ensure blight properties' condition have improved, with some prosecutions leading to change of ownership, and ultimately bringing the property back into use. In some cases this has cleared council tax debts which span over a number of years.

In 2019 a Long Term Empty Property Premium was introduced increasing council tax on properties empty of 3 years or longer by a further 100% to 200%, and those empty for 2-3 years by 50% to 150%. The council has also removed the 10% discount previously granted to owners of second homes, with second homes owners now paying 100% instead of 90%. The premium has led to a decrease in the number of empty homes being empty over a 2 year period.

In summary, the council is already doing a number of things to bring empty houses back into use.

For more information about what the council, working with others, is doing to bring empty houses back into use please visit the Empty Property web page, on our website. There is also the facility to report an Empty Home on the website by clicking "report it".

#### **4. What does this policy document aim to achieve?**

The empty homes work aims to contribute towards:

- Reduction in Anti-Social Behaviour e.g. preventing groups gathering at empty properties
- Improved visual amenity e.g. untidy gardens, unkept properties
- Reduction in neighbour complaints/nuisance – e.g. damp, pests
- Increasing housing supply

#### **5. How will the policy achieve our objectives?**

##### **Our overall approach**

Empty houses are potentially a long-term challenge, particularly in the current housing market. Whilst some will be brought back into use within a few months, many have already been empty for much longer and will be more difficult to address. Officers also have limited available resources. It is important that the action officers take is guided by the vision for North West Leicestershire and the housing outcomes the council wants to achieve as outlined in the Housing Strategy 2021 – 2026.

Officers have also learned lessons from the approaches in other local authority areas to tackling empty houses.. Based on this knowledge the proposed approach aims to be:

- **Targeted but flexible.** We are particularly interested in focusing on empty houses

back into use that:

- Can meet an identified housing need
- Will visibly improve the local neighbourhood, enabling pride in the community and raising awareness of the need for homes
- Are in close proximity to local amenities e.g., shops, schools, doctors surgery and employment
- Require relatively little input

However, we realise we will need to balance these objectives with:

- The willingness of owners to work with us and to take action
- The input required compared to the output e.g., rental income, income from the New Homes Bonus, and/or cost savings that will be achieved (value for money)

- **Informed**

We realise that houses are empty for many different reasons, and that some of those empty for more than 12 months may be for a very valid reason. It is critical that we focus our resources where we feel we can make the most difference to achieving our objectives.

- **Enabling and supportive**

Enforcement is an action of last resort. Our approach will be to offer a range of practical and supportive assistance to owners, recognising that a 'one size fits all' approach is not appropriate, and that many people may simply need a small amount of the right input e.g., information or advice, to enable them to take action to either sell the property and/or identify necessary works that need to be carried out to enable re-occupation or sale of the property. We're also conscious that we need to be able to respond in a timely manner.

- **Enforcement**

Where an owner of a property is engaging and voluntarily working with the council to bring their property back into use, it is not usually necessary for the council to use enforcement powers unless communication breaks down and the use of powers is determined as necessary to bring the property back into use in a timely manner.

Where an owner cannot be traced or is unwilling to engage with the council, the council will consider whether enforcement action is appropriate to secure the re-occupation of the property. The council may use a number of enforcement actions in order to achieve the re-use of the property.

The range of enforcement powers available to the council are set out in Appendix 2.

- **Value for money**

With little public funding available, our approach is to work with people and organisations in the private, community and voluntary sectors to maximise the contribution they can make. This could mean working with private landlords or developers, housing associations, charities or parish councils, for example. They may have experience and expertise, or have access to other sources of funding. We will also work with the county council and neighboring local authorities; they have similar housing objectives.

- **Transparent and accountable**

It is critical that the public can hold us to account for the use of public money to bring empty houses back into use. It is also important to understand how many empty houses are being brought back into use through interventions as the overall numbers may be misrepresented by figures calculated for the purpose of New Homes Bonus.

We have clear procedures (see Appendix 1) in place for those involved in the process to enable this. We also have a clear and pro-active action plan, against which we regularly monitor and report progress.

## Returning Houses to Homes Procedures

### Informed and accountable

Given the importance of understanding more about why a house is empty, and not just how long it has been empty, more intelligence about the property owner is needed. This can be from data held elsewhere in the council, but other investigative work may be needed. A starting point will be to ask owners to 'tell us more' about their plans for the house when writing to them, this has been incorporated into the first stage letter that we send out following our survey visit.

We have generally raised awareness with other departments of the council whose staff are regularly out on the district and can spot empty properties and asked them to report back to the team.

As part of the consultation process we have raised awareness amongst the local community by attending community forums and presenting information and how to contact us about empty properties.

### Information and education

Initiative	In detail
<b>Communication through website</b>	Communication through the website aims to raise awareness of empty houses and provides a wealth of useful information for empty property owners and those looking to report, buy and renovate an empty property.
<b>National Empty Homes Week</b>	The council has also participated in National Empty Homes week events. This is an annual event where various local authorities raise the profile of empty homes and highlight the work being done to reduce the number of long-term empty homes. The week has included a radio broadcast, and the use of social media amongst methods of communication.
<b>Working with local Estate Agents</b>	Links have been established with local estate agents to encourage their involvement in bringing long term empty properties back into use.
<b>Letters to home owners</b>	Various letters are sent out to empty homes owners asking them to make contact with the Empty Homes Officer. In particular with high priority properties.
<b>Policy and Forums</b>	The process of revising the empty houses policy was accompanied by press releases and public consultation e.g., at the community forums to generate feedback.





**Enforcement action**

In compliance with the spirit of the Enforcement Concordat, the Regulators Compliance Code and the Environmental Enforcement Policy our approach will be fair, equitable and incremental. The primary function of central and local government enforcement work is to protect the public, the environment and various other groups such as consumers. There is a need to carry out enforcement functions in a consistent, practical and equitable manner, which in turn will help to promote a thriving local and national economy.

Before progressing from one of the following procedures to another, we will ensure that owners are fully advised and given an opportunity and sufficient time to take measures of their own to bring properties back into use.

Initiative	In detail
<p><b>Empty Dwelling Management Order (EDMO) and Final Management Order (FDO)</b></p>	<p>The council has an existing Returning Houses to Homes Policy and Procedures, approved by Cabinet for use of EDMO powers. An EDMO allows a local housing authority to effectively 'step into the shoes' of the owner of an unoccupied dwelling.</p> <p>Legislated for in the Housing Act 2004, section 132 the Residential Property Tribunal can authorise local authorities to take over the management of an empty property on a temporary basis to have it renovated and reoccupied, where the owner has no plans to bring that property back into use. The cost of the works is then recovered via rent.</p>
<p><b>Delegated officer powers to serve notices</b></p>	<p>Several pieces of legislation allow local authorities to require repairs to a property to improve its appearance and condition. These include the:</p> <ul style="list-style-type: none"> <li>• Building Act 1984,</li> </ul> <p>Sections 77 to 79 of the Building Act allows the council to require an owner to make their property safe, carry out works of repair or demolition. Where the owner fails to carry out the works required, or if they are an emergency, the council may carry out the works in place of the owner.</p> <ul style="list-style-type: none"> <li>• Town and Country Planning Act 1990</li> </ul> <p>Where a property is having a detrimental impact on the amenity of an area, a notice under s.215 of the Town and Country Planning Act 1990 may be served requiring the owner to address the unsightly external appearance. Where an owner fails to comply with such a notice the council may undertake the works in default and make a charge against the property. The use of s.215 notices improves the amenity of an area, but can also be used for the basis of an enforced sale. In North West</p>

Leicestershire Planning Enforcement Officers are authorised to serve notices under this Act.

- Anti-Social Behaviour and the Crime and Policing Act 2014

Where a person's conduct is having a detrimental effect on the quality of life of others in the locality, a Community Protection Notice may be served, under the Anti-Social Behaviour Crime and Policing Act 2014. The use of a Community Protection Notice can ensure the owner clears and removes waste from premises including gardens, and other items such as or including vehicles from the land, and then maintains the land moving forwards.

- Environmental Protection Act 1990 and Prevention of Damage by Pests Act 1949

Where a premise's condition is creating a health risk due to rats and mice, a notice can be served under the Prevention of Damage by Pests Act 1949, requiring the owner to clear the land and property of vermin, and harbourage. Failure to do this may result in the council clearing the land and charging the owner.

- Housing Act 2004

Sections 11 and 12 allow the council to serve notices to advice of hazards in the property, require improvement works to be carried out to the property, or the council may carry out works in default if the owner does not comply with any served notices.

- Housing Act 1985

Section 265 allows the council to demolish a property if it cannot be repaired.

- Local Government (Miscellaneous Provisions) Act 1982

Under section 29 the council can require that the owner secures a property which is insecure. The Act also allows the council to secure (board up) an insecure property in the case of emergency.

- Public Health Act 1936 and 1961

Section 83 of the 1936 Act and Section 34 of the 1961 Act permits the council to require works by the owner or occupier to improve filthy and verminous properties. If the owner or occupier fails to comply with the notice the council may themselves carry out the works and recover the expenses reasonably incurred.

<p><b>Compulsory Purchase Order (CPO)</b></p>	<p>CPOs are a lengthy legal process that the council does not undertake lightly. They are only used in appropriate cases, where despite the council's best endeavours; an owner has consistently failed to bring an empty property back into use. Without intervention by the council, it is likely that the property will remain unoccupied and deteriorate further if in a poor state of repair. The use of compulsory purchase action is deemed as a last resort to enable the property to be brought back into use within a reasonable timescale.</p> <p>CPO's can be undertaken under section 17 Housing Act 2004 or section 226 of the Town and Country Planning Act 1990.</p> <p>An alternative and quicker option is to pursue enforced sale orders in cases where owners are reluctant to address the problems that their empty property is causing the neighbourhood.</p>
<p><b>Enforced Sale</b></p>	<p>Enforced sale is a procedure that allows local authorities to recover debt, but can also serve as a way of bringing empty properties back into use. The procedure enables the local authority to force the sale of the property in accordance with section 103 of the Law of Property Act 1925 in order to recover a debt, where the owner has failed to repay the debt secured on their property.</p> <p>There are many ways in which such debts may be incurred. An authority may incur a debt against a property when it has secured it against unlawful entry or undertaken works in default following the service of a statutory repair notice.</p>
<p><b>Demolition Orders</b></p>	<p>Demolition Orders are for extreme cases and as such are not common practice. They can only be used when other properties will not be affected (e.g. a detached property or end of terrace).</p> <p>Part IX of the Housing Act 1985 (as amended) allows Local Authorities to issue an order where the owner is required to demolish a property that is beyond repair and uninhabitable at their own expense.</p>