

Empty Homes Policy

May 2014

Introduction

The City Council has a duty to assess and plan for housing need and takes the view that every empty home is a wasted opportunity for a Coventry family. The Coventry & Warwickshire Strategic Housing Market Assessment (2013) identified a need for an additional 477 affordable homes to be provided in the City each year.

Empty homes are a wasted resource and become a drain on public funds in that they can quickly fall into disrepair and become blights on our neighbourhoods. Often they can become magnets for fly tipping, anti-social behaviour, vandalism and arson.

With housing and land in short supply in Coventry it is necessary to ensure that empty homes do not remain empty unnecessarily and fall into misuse and dereliction. This policy sets into context how we plan to reduce the number of empty homes in Coventry to a practical minimum.

What is an Empty Home?

Homes may become empty for a number of reasons and in most cases this is a short-term or temporary situation and is usually because the house is awaiting sale, or letting, or requires renovation prior to occupation. This cycle may be quickened or slowed by the prevailing housing market, but requires no intervention from the City Council.

The main focus of this policy is on homes which may stand empty for a considerable period of time and in some cases may be abandoned for years. These problematic homes are a major cause for concern, as they are not being actively marketed or prepared for occupation and are unlikely to come back into use without the Council's intervention.

For the purposes of this policy, the Council will focus on those homes that have been empty for more than 6 months.

Why do homes become and remain empty?

There are numerous reasons why homes become and/or remain empty. A number of these are listed below:

- for sale, let, property chain
- probate, estate or legal ownership issues
- bankruptcy/repossession/abandonment
- long term care/ hospitalisation
- employment linked homes

- delays in refurbishment or renovation
- lack of funds for refurbishment
- reluctance to let out
- lack of awareness of the available options in bringing the home into use
- inaction and apathy of owners

There are many owners who need support, information or encouragement to help them bring back empty homes into use, whilst others have little or no intention of doing anything with their property.

Why take action to bring empty homes back into use?

There are significant advantages for everyone in the area by bringing empty homes back into use.

For the owner:

- Leaving a property empty increases the risk of vandalism and crime which will make the property costly or difficult to insure.
- In the case of arson the full value of the asset could be lost and there may be resultant claims from neighbours for damages.
- The owner will also incur additional costs because they will be expected to maintain the property and remove fly tipping and detritus.
- The Council currently charges the owner full Council Tax on empty homes. However, if the home remains empty for more than two years, the charge increases to premium rate of 150%.
- There is the potential to gain rental income and over a period of time the possibility that the home will increase in value.
- The owner could choose to sell the home and realise the cash value and invest the money in a different asset.

For local residents:

- Bringing an empty home back into use will significantly reduce the opportunities for vandalism, fly tipping and antisocial behaviour.
- Unsightly properties can have a negative effect on an area, depress house prices and reduce pride in the area. They can also have a direct impact on adjoining properties through dampness and structural problems.

For people in housing need:

- Bringing empty homes back into use offers a greater choice of more affordable homes. During 2012/13, 570 households were placed in temporary accommodation

due to homelessness, meaning that the Council had a duty to make an offer of suitable accommodation. On 1st April 2013, there were 12,079 households registered with Coventry Homefinder for social housing. Of these, 169 were in extremely urgent housing need (band 1) and 1,253 were in urgent housing need (band 2). At the same time 1,400 properties in the city had been empty for 6 months or more. For this reason empty properties offer a good opportunity to help ease the pressure on local housing, by bringing existing empty homes back into use or by creating new homes through conversion of under-used space.

Aims and objectives of the Empty Homes Policy

The overall aim of this policy is *'to reduce the number of empty homes in Coventry*. In achieving this aim we will look to fulfil the following objectives:

- Provide information to the owners of empty homes on the options available to them in quickly bringing the property back into use to the benefit of all concerned.
- To raise public awareness of the Council's approach to empty homes and the importance of reporting them to the Council.
- Emphasis will be placed on developing appropriate, low cost solutions which are both effective in bringing empty homes back into use and helping meet our broader housing objectives to increase the availability of decent, affordable housing in Coventry.
- To increase the supply of housing to all sectors, from within this source but particularly for vulnerable groups who struggle to access decent, affordable homes.
- A commitment to take appropriate enforcement action in bringing empty homes back into use where reasonable negotiations fail.

Recent changes by Government to encourage owners to bring empty homes back into use

The Government has issued various tools in recent years to help local authorities, home-owners and developers bring empty properties back into use through encouragement and enforcement.

- VAT has been reduced to 5% on renovation costs for properties empty for more than two years and 0% on properties empty for over ten years.
- Changes have been made to Council Tax exemptions:
 - When a property becomes empty a full Council Tax charge will be payable by the owner two weeks after it becomes empty.
 - Full Council Tax charge will be payable immediately for empty properties undergoing repairs.

- o The 10% discount previously awarded to the owner of empty furnished properties will no longer be given
- o A surcharge of 50% will be added to the bill where a property has been empty for two years or more. This will mean that Council Tax will be charged at a rate of 150%.

What the Council will do to bring empty homes back into use

The Council's moral obligation for bringing empty homes back into use is compelling. We will:

- Maintain a database of all empty properties in the City. This database will be used to:
 - o Receive details on empty homes from the Council Tax Service within the City Council. It will also receive information from a variety of sources i.e. other Council officers, partners and members of the public.
 - o Record routine visits to the homes to deal with specific problems and general inspections to monitor conditions.
 - o Record all relevant details i.e. owner's contact details, the reasons why the property is empty, the owner's aims for the home etc.
 - o Risk rate empty homes to determine priority for action. The following factors are taken into account within the risk matrix:
 - how long the home has been empty;
 - the visual effect of the home on the local neighbourhood;
 - previous cases of anti-social behaviour and environmental crime relating to the home; and
 - the amount of money owed to the Council in relation to this home.
- Adopt a systematic approach to tackling empty homes in accordance with our Enforcement Policy. We will endeavour to provide the homeowner with every opportunity to bring their property back into use on a voluntary basis, but are committed to taking enforcement action where this proves necessary or appropriate. Appendix 1 sets out the criteria for action by the City Council.

How the Council will bring empty homes back into use

Phase 1- Option appraisal

Before any formal action is considered, the Council will seek to work with the owner to identify the range of options available to them to bring the home back into use.

Once a property is identified as being empty for six months or more the Council will initially contact the home owner to:

1. Gather information on why the home is empty and the owner's plans for the property.
2. Supply an information pack which will:
 - a. advise on the pitfalls and costs of leaving the home empty; and
 - b. advise on the options available to bring the property back into use. This may involve practical guidance on matters such as letting, leasing, property valuation, building regulations and planning, demolition, and debt recovery, drawing as required on the expertise of other departments in the Council and elsewhere. The aim will be to help the owner arrive at a solution, which meets their needs and preferences whilst achieving the overall aims and objectives of this policy.
3. It is our aim to agree at this stage, a way forward with the home owner. This will involve the negotiation of an appropriate timescale for the resolution of their chosen option. We will then revisit the case at the end of the time period.
4. If at the end of this time period there has been no satisfactory progress we will:
 - a. contact the home owner to determine what assistance we can provide to help to bring the home back into use;
 - b. when this has been established we will negotiate a further timescale for resolution of their chosen option.
5. If there has been no satisfactory progress and the criteria in Appendix 1 have been satisfied, then the case will progress to Phase 2.
6. **In cases where the home is subject to regular environmental crime and the route of anti-social behaviour, the process will move straight to phase 3.**

Phase 2 - informal warning

Before any formal action is considered, the Council will make clear to the home owner its intention in bringing the home back into use and the reasons why (see Appendix 1).

1. The Council will agree a further course of action with the home owner to address any specific issues of concern and ultimately set a date for bringing the home back into use. This will be confirmed in writing.
2. If at the end of the agreed time period insufficient progress has been made the Council will write to the home owner:

- a. pointing out that satisfactory progress has not been made;
- b. requesting a reason for lack of progress; and
- c. confirming that formal action will ensue if no reasonable explanation or undertaking is offered and the case will move to Phase 3.

Phase 3 - Formal Action

Where the owner of a property is untraceable or demonstrates an unwillingness to work with the Council and/or satisfactory progress has not been made, the Council will consider taking appropriate enforcement action to:

- mitigate/abate problems emanating from the home; and
- ultimately bring the home back into use.

A list of available enforcement powers are contained in Appendix 2.

Where the Council has used compulsory purchase powers, or powers to force the sale of an empty home it will endeavour to ensure that the home is:

1. brought back into use as quickly as possible; and
2. where possible is used to provide affordable housing.

The Council will seek to recover all of its costs where possible in bringing empty properties back into use. The extent of enforcement activity undertaken by the Council will be determined by the resources available to fund both the revenue and capital related elements of the activity. The Council will look at all options available legally and within available resources prior to taking enforcement action to ensure that the Council is not being subjected to unnecessary risk.

Further details

If you would like further information concerning empty homes, then please contact:

Martin McHugh

Street Enforcement Manager: martin.mchugh@coventry.go.uk

Empty Homes Policy Appendix 1

Where the Council has been unsuccessful in negotiating with the owner in returning an empty home back into use, it will actively consider using its available powers to force the home back into use where:

1. The home has been empty:
 - a. for more than two years and the owner cannot be traced;
 - b. for more than four years where the owner can be traced;
 - c. **As soon as possible if the home is subject to regular environmental crime and the 'seat' of anti-social behaviour.**
2. The amount of money owed to the Council exceeds £1,000. This debt will normally be:
 - a. outstanding Council Tax; and/or
 - b. costs incurred by the Council through carrying out works in default (to maintain the home/garden and secure the home from entry) where Legal Notices have been served, but where there has not been compliance.
3. Where the home owner has been receiving care in hospital, or a residential home, decisions about the home will be made in accordance with the Charging for Residential Accommodation Guide (CRAG) in support of the National Assistance (Assessment of Resources) Regulations 1992 (S.I. 1992/2977).

Empty Homes Policy Appendix 2: Legislation available for dealing with empty homes

Problem	Legislation	Power Granted	Statutory Duty
1. Dangerous or dilapidated buildings or structures <i>(Refer to Building Control)</i>	Building Act 1984, Sections 77 and 78	To require the owner to make the property safe (S.77) or enable the local authority to take emergency action to make the property safe (S.78)	No
	Housing Act 2004 Sections 11 and 12	To require the owner to take <i>steps to deal with risks to health & safety in the property</i>	Yes
2. Unsecured properties (if there is a risk that it may be entered or suffer vandalism, arson or similar) <i>(Refer to Building Control)</i>	Building Act 1984, Section 78	To allow the local authority to fence off the property	No
	Local Government (Miscellaneous Provisions) Act 1982, Section 29	To require the owner to secure a property or allow the local authority to board it up in an emergency	No
3. Blocked or defective drains or private sewers	Local Government (Miscellaneous Provisions) Act 1976, Section 35	To require the owner to address obstructed private sewers	No
	Building Act 1984, Section 59	To require the owner to address blocked or defective drainage	Yes
	Public health Act 1961, Section 17	To require the owner to address defective drainage to a private drain	No
4. Vermin (If present or there is a risk of attracting vermin that may be detrimentally affect people's health) <i>(Refer to Pest Control where appropriate)</i>	Public health Act 1961, Section 34	To require the owner to remove waste so that vermin is not attracted to the site	No
	Prevention of Damage by Pests Act 1949 Section 4		No
	Public health Act 1936, Section 83		Yes
	Environmental Protection Act 1990, Section 76		Yes
	Building Act 1984, Section 76		No

Problem	Legislation	Power Granted	Statutory Duty
5. Unsightly land and property affecting the amenity of the area (<i>Refer to Planners</i>)	Public Health Act 1961, Section 34	To require the owner to remove waste from the property	No
	Town and Country Planning Act, Section 215	To require the owner to address unsightly land or the external appearance of a property	No
	Building Act 1984, Section 79	To require the owner to address a property adversely affecting the amenity of an area through its disrepair	No
6. Compulsory Purchase Order	Housing Act 1985, Section 17	To allow the local authority to purchase a property and potentially bring it back into use	No
7. Enforced Sale	Under the remit of the Empty Property Strategy. Procedure being developed at present	To allow the local authority to sell a property to reclaim appropriate charges they have brought against it	No
8. Interim and Final Empty Dwelling Management Order	Housing Act 2004 Section 133 and 136	To enable LHA with/without the consent of owner to take steps for purpose of securing/continuing occupation	No