

Empty Homes Policy

2017



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1.0 Introduction

- 1.1 Making best use of existing homes is a key objective in Cambridge City Council's Housing Strategy. There is a shortage of residential accommodation available in the City as housing demand outstrips housing supply quite significantly.
- 1.2 Empty homes are a wasted resource and can have a detrimental impact on neighbourhoods and the environment, as they can become an eyesore that may also cause problems for neighbours. Empty homes can quickly fall into disrepair and become magnets for antisocial behaviour and vandalism.
- 1.3 With housing and land in short supply in Cambridge it is necessary to ensure that empty homes do not remain empty unnecessarily and fall into misuse and dereliction.

In light of this it is important that all homes in Cambridge are occupied as soon as possible, in order to do this, Cambridge City Council are dedicated to providing support and assistance to empty home owners in order to help them bring their property back in to use, and in some cases consideration will be given to using enforcement action to bring the properties in to use.

The Council is continually thinking of new ways to approach empty homes. In 2014 Cambridge City Council employed an Empty Homes Officer and in 2017 Cambridge City Council formally introduced an Empty Homes Loan Policy.

2.0 What is the definition of an empty home?

- 2.1 A long-term empty home is a residential dwelling that has been unoccupied for 6 months or more. This can include single-family dwellings, HMOs, flats, and accommodation located above commercial premises.
- 2.2 Empty homes that come to the Council's attention will be assessed and validated before any advice or action is commenced. This will include sending correspondence to the registered owner of the property, consulting with other Council departments, the neighbours in the immediate area, and any other relevant parties.

3.0 *Reasons why properties remain empty.*

In most cases this is because the owners need assistance, support, information, or encouragement to help return empty homes to use. Although there are numerous other reasons that properties remain empty including:

- Financial implications.
- Reluctance to let/sell.
- Repossession or abandonment.
- Health issues, long term care or hospitalisation.
- Requires renovation and/or building work.
- Probate, estate or legal ownership issues.
- Inaction of owners or unable to let/sell.
- Lack of awareness of support options.

This list is not exhaustive, and the reasons can vary in severity. It is important, therefore, that Cambridge City Council is able to give the appropriate level of support to those who need it on a case by case basis.

4.0 The impact an empty home can have.

Empty homes represent a wasted resource and can cause a number of problems for the owner and the surrounding neighbourhood. If left empty properties can:

- Fall into disrepair, and/or become ruinous or dilapidated.
- Become an eyesore in neighbourhood.
- Attract vandalism, anti-social behaviour and crime.
- Cause damage to adjacent properties, and possibly health issues for neighbours through lack of maintenance.
- Reduce the value of the surrounding area as well as themselves
- Become costly to maintain, and a loss of potential income.

Again this list is not exhaustive.

5.0 The benefits of bringing empty homes back into use.

There are significant advantages for everyone in the area by bringing empty homes back into use, these include:

- Providing accommodation for others to use.
- For the owners – It unlocks potential capital if the property is sold; it will produce rental income if the property is let and there is the potential for an increase in property value.
- Leaving a home empty increases the risk of vandalism and crime, making the property more costly to insure empty, if it can be insured at all.
- For local residents it reduces the opportunities for vandalism, fly tipping and antisocial behaviour in all its forms.
- For the local economy – bringing an empty home back into use can contribute to the regeneration of an area, increasing spending in the local economy and helping to protect the value of surrounding properties.
- Unsightly properties can often deter investment in an area, which can lead to decline.
- For the wider community returning properties back into use may reduce demands on services such as the Police, Fire and the Council to deal with the associated problems.

6.0 Aims

The aims of this Empty Homes Policy are to introduce measures that will:

- Return long-term empty homes back into use.
- Make positive improvements to housing conditions and to the local environment.

7.0 Objectives

The objectives of this Empty Homes Policy are to:

- Return a target number of empty homes to use annually.
- Raise public awareness of the Council's approach to empty homes and the importance of reporting them to the Council.
- Provide positive support and assistance to owners and people within the city affected by empty homes.
- Be proactive through enforcement action where owners are unable or unwilling to return property to use, in line with the City Councils enforcement policy.
- Maximise the potential of empty homes.
- Increasing the availability of affordable housing.

The Council will treat empty homes owned by the Registered Providers of Affordable Housing in the same way as other Private Sector Landlords.

Empty Homes that are owned by the Council fall out of the scope of this Policy.

8.0 National Perspective.

8.1 According to the Department of Communities and Local Government (DCLG) there were 589,766 empty homes in England in October 2016. Of these, 200,145 were classed as long-term empty properties (empty for longer than six months).

8.2 The New Homes Bonus commenced in April 2011 which included a financial incentive to the Council for returning empty homes to use. Local authorities and their communities will have the freedom to spend New Homes Bonus revenues To meet locally agreed priorities.

9.0 Local Perspective.

9.1 Part of the council's vision states that Cambridge is 'a city which strives to ensure that all local households can secure a suitable, affordable local home, close to jobs and neighborhood facilities'.(updated).

9.2 The City Council's annual statement 2017 outlines how we wish to achieve this vision by tackling the city's housing crisis.

9.3 According to the Cambridge Sub-Regional Strategic Housing Market Assessment (SHMA) 2013 and CCC Strategic Housing Key Facts September 2017.

- The population of Cambridge in 2015 was 132,130, a 6.3% growth since 2011.
- It is predicted that by 2031 the population will reach 150,000. The average house price in the City is around £500,000 and the median house prices are over 11 times median earnings.
- The need for Housing in Cambridge is particularly high, the SHMA forecasts that there will be a need for 14,000 new homes in the City between 2011 and 2031. This is a 29% increase in dwellings from the existing 48,000 dwellings that existed in Cambridge in 2011.
- The Key Statistics– Strategic Housing shows that in September 2017 there were approximately 2,628 applicants on the Home-Link Needs Register. The numbers of social housing properties let in 2016-17 were 519.

This illustrates the ever-increasing pressure to provide affordable housing in the City, and for the Council to continue to pursue the best use of all existing properties within the City.

10.0 Options that can be used to bring an empty home back into use.

The Council can offer a range of services in order to give the best support and advice possible to empty homes owners and neighbours, we can offer:

10.1 Informal advice and assistance.

The Council will always seek to provide informal advice and assistance to bring empty homes back into use. Initial contact will always be informal providing written advice and information to the owner outlining the options, including establishing why the property is vacant and help the owner return it to use within a reasonable timescale.

The Empty Homes Officer follows the empty homes procedure, which is an internal process to assist them to investigate, assess and prioritise known and newly reported empty homes. The Empty Homes Officer will also make an assessment following contact with the owner as to their personal circumstances which could impact on the steps they can take in regards to their empty home.

10.2 Reduced-rating VAT for the renovation or alteration of empty homes.

If a property has been empty for at least two years immediately prior to renovations commencing, the Empty Homes Officer may be able to issue owners with a letter that will prove that they qualify for a reduced rate of VAT on renovation works through builders. This is subject to the builders offering this service, and to the renovations meeting a certain criteria.

10.3 Sign posting.

The Council will signpost owners to services such as;

- The Council's Town Hall Lettings www.cambridge.gov.uk/town-hall-lettings who can offer advice about renting out their properties.
- Local charities looking to lease empty properties.
- We can also direct to local Auction houses & estate agents who can assist with the selling of their home.
- The City Council's leasehold services if the owner wishes to sell and previously exercised their Right to Buy.

10.4 Financial Assistance.

An interest free loan of up to £25,000 was introduced in March 2017 and is available to owners of long-term empty homes: The loan will:

- Enable owners to bring empty properties up to a decent homes standard prior to re-occupation which includes ensuring there are no Category 1 hazards as per the Housing Act 2004 Part I and an EPC (Energy Performance Certificate) rating of D and above where achievable.
- The interest free loan will be subject to a management agreement with Town Hall Lettings (THL) or another not for profit housing provider for a minimum period of 2 years.
- Loans will be offered in accordance with the Empty Homes Loan Policy 2017.

11.0 Enforcement options open to the council that can be used.

In addition to the options in paragraph 10 there are also the following powers available to the Council. Generally these powers will only be used as a last resort. Wherever possible the Council want to be able to bring owners' empty homes back in to use via informal means.

11.1 Dealing with dangerous buildings.

The Building Act 1984 allows Local Authorities to deal with buildings that it considers being dangerous. The Council can apply to a Magistrates' Court for an order requiring the owner to make the building safe or demolish it. If the owner fails to comply, the Council can carry out the works in default.

11.2 Derelict and Ruinous Buildings and Structures.

Provisions contained in Section 79 of the Building Act 1984 enable the council to take action against building owners who neglect their buildings allowing them to become ruinous and dilapidated. It empowers a local authority to serve notice requiring the building owner to either execute works of repair and restoration or if the owner chooses to, demolish it.

The qualifying criteria for action to be taken on derelict buildings are that in the opinion of the local authority they are ruinous and dilapidated and detrimental to the amenities of the neighbourhood. Evidence of 'ruin and dilapidation' relates to the building's condition whilst 'detriment to amenity of the neighbourhood' is a subjective judgment relative to the detrimental impact it has on the neighbourhood usually underpinned by the number of complaints it generates.

The owner can appeal against the notice within 21 days but only on specified grounds. If works in default are undertaken a local land charge is put on the property against all titles and could lead to enforced sale in extreme circumstances

11.3 Section 215 of the Town and Country Planning Act 1990.

This legislation gives the Council a power, in certain circumstances, to take steps requiring land to be cleaned up when its condition adversely affects the amenity of the city. Action can be taken against land and buildings including empty homes.

Amenity is a broad concept and there must be sufficient evidence that the amenity of that part of the area is being suitably affected by the condition of neighbouring land and buildings to justify service of a notice. A notice must be clear, concise and unambiguous.

In the event that a notice is successfully appealed at the Magistrates' Court reasonable costs can be awarded against the council. Failure to comply with an enforcement notice may result in enforced sales procedure being undertaken.

11.4 Enforced sale.

This is the procedure that allows Local Authorities to recover charges incurred following non-compliance with a notice after they have done works in default for example failing to comply with a S.215 Planning Notice.

The power gives local authorities the right to require a house to be sold to recover the money they are owed if the owner fails to repay the charge for works in default. If the owner does not pay for the works in default the charge is secured as a local land charge. Once the charge is in place the local authority can pursue the enforced sale without further legal recourse.

11.5 Compulsory Purchase Orders (CPO).

Compulsory purchase of empty properties may be justified as a last resort in situations where there appears to be no other prospect of a suitable property being brought back into residential use.

The city council will first wish to encourage the owner to restore the property to full occupation. However, cases may arise where the property may be causing nuisance to the neighbours and the owner cannot be traced or will not engage with the city council, therefore use of compulsory purchase powers may be the only way forward.

When considering whether to confirm such an order the Secretary of State will normally wish to know: how long the property has been vacant, what steps the authority has taken to encourage the owner to bring it into acceptable use and the outcome; and what works have been carried out by the owner towards its reuse for housing purposes.

11.6 Empty Dwelling Management Orders (EDMOs).

EDMO's allow local authorities to take management control of an empty property for up to 7 years, carrying out any necessary repairs and arranging for the property to be rented out during this period.

The owner retains ownership and the right to sell the property and receives any surplus income made during this time once management costs and refurbishment costs have been reclaimed from the rental income.

The minimum time a property has to be empty is two years and Councils have to serve a three month notice on owners that they intend to apply for an interim EDMO in the first instance.

An EDMO is only applicable for properties attracting anti-social behaviour and/or having a significantly adverse effect on the community, with owners unwilling to take action. This will restrict its use to a small number of properties, but they are valuable tool for long-term empty properties having a significant impact on a neighbourhood.

11.7 Other Statutory Powers.

All empty properties undergo an external assessment by the Empty Homes Officer, if an internal inspection is carried out, it will be under the Housing Act 2004 Housing Health & Safety Rating System (HHSRS).

The Housing Act 2004 places a duty on local authorities to take action when the most serious Category 1 hazards are identified.

The authority has the option to serve Improvement Notices requiring the owner to carry out the necessary works to remedy defects, which will reduce the hazards to an acceptable level.

If the owner fails to comply with a notice, the authority can arrange for the works to be carried out in default and recover the costs from the owner. Any costs are registered as a local land charge against the property and may count in any subsequent enforced sale action

12.0 Review of Empty Homes Policy

This document was first published in March* 2012 and reviewed November 2017.

This policy document will be reviewed every 3 years or sooner should legislation change. Next review date November 2020.

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