

# EMPTY PROPERTIES

A Policy for Bringing Empty Residential  
Properties Back into Use



## 1. INTRODUCTION

Derelict and long term empty properties such as empty homes, disused shops and offices, or dilapidated buildings can be detrimental to our neighbourhoods, may cause blight and portray a rundown, tired area which negates any confidence in regeneration activities or fostering community cohesion.

This policy relates to empty residential properties.

Long term empty residential properties (empty homes) represent a wasted resource and cause a number of problems for the owner and the surrounding neighbourhood.

- The waste of a property that could provide an additional home in an area of high housing need
- They can attract crime and antisocial behaviour including fly tipping, arson and squatting
- They can reduce the value of surrounding properties
- They can cause physical damage to adjacent properties through lack of maintenance.
- They can become an eyesore in the neighbourhood
- They can pose a threat to safety, particularly young children
- They can become costly for the owner to maintain
- They can become costly for the Local Authority to investigate and are a loss of council tax revenue

In addition increasing numbers of empty residential properties can contribute to the decline of a particular area, the consequences of which include:

- Urban degradation through derelict properties, increasing the unattractiveness of inner areas and accelerating population loss
- Undermining the aims of current regeneration strategies
- Loss of Council Tax income
- Loss of services as the population moves away
- Owners unable or unwilling to maintain the stock in declining areas
- Possible damage due to criminal activity (necessitating intervention by other services) taking place in empty homes; theft of fittings, arson, dumping, drug dealing
- Psychological damage to individuals and community created by poor environment
- Loss of community as permanent house owners with a stake in the area move out and are replaced by transient tenants and empty homes

## 2. DEALING WITH EMPTY RESIDENTIAL PROPERTIES

Bringing back empty residential properties into use can be part of a solution for the regeneration of a neighbourhood

For the property 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 property empty increases the risk of vandalism and crime, making the property more costly to insure empty, if it can be insured at all. This leaves the owner vulnerable to losing their asset completely if it were destroyed by fire

For local residents:

- It reduces the opportunities for vandalism, fly tipping and antisocial behaviour in all its forms
- Unsightly properties can have a negative effect on a neighbourhood; reduce house prices and lower people's pride in the area
- Increased housing supply to meet housing needs
- Improvements in the appearance of the area if derelict and neglected properties are re-occupied, encouraging further occupation

For the local economy:

- Bringing an empty residential property back into use contributes 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 reduces demands on services such as the Police, Fire and the Council to deal with the associated problems. As a consequence resources can be used more effectively elsewhere and those once empty homes provide additional housing for the local community
- Bringing back empty properties into use may reduce the need for new development on green field sites.
- Re-establishment of communities
- Reduction in crime rate due by removing opportunities for nuisance and increased level of anti-social activities
- By returning empty properties into use, residents will benefit from cleaner, more attractive neighbourhoods and stronger, safer communities while encouraging private investment and regeneration into the area
- Restoration of council tax and rental income.

### **3. OVERALL OBJECTIVES OF THIS POLICY:**

- To limit the number of empty residential properties and use appropriate measures to bring them back into occupation
- To raise awareness of the empty residential property issue and highlight the concerns that they can present for neighbourhoods
- To ensure current data on the number and location of empty residential properties is held by the Council
- To provide specific measures for bringing empty homes back into use and utilise the powers available to the Council in a targeted and effective way

#### **3.1 Raising Awareness of the Empty Property Issue**

Empty residential properties have attracted publicity with recent television programmes highlighting the waste and blight associated with empty homes. In a time of high housing demand, the issue has become even more prominent.

This policy aims to develop a corporate approach by linking the services whose work is pertinent to the issue. These include:

- Regulatory Services Team
- Neighbourhoods Team
- Communications Team
- Housing Options Team
- Registered Social Landlords
- Council Tax
- Legal Services
- Property Team
- Building Control

We will ensure a coordinated approach to the issue and use our various communications channels to make empty residential property owners aware of this policy. This will include relevant information on the Council website as well as frontline officers being provided with information on the issue to identify and report potential problem empty residential properties.

#### **3.2 Gathering relevant, accurate and current information**

The Regulatory Service Team will maintain a database of empty residential properties that are the subject of complaint or are identified as a cause of concern. Properties that are empty and unfurnished for more than two years are identified separately by the Council Tax Team.

We will maintain and develop the recording of data on these two sources of information.

Complaint driven properties which do not correspond with the Council Tax data will be subject to assessment and intervention where appropriate.

The accuracy of council tax empty homes data is systematically reviewed to ensure accuracy and the Regulatory Services team will liaise closely with the Council Tax Team to share and cross reference the data they hold.

We will develop a web based procedure to give the public the opportunity to notify us of empty residential properties.

### 3.3 **Specific measures for bringing empty properties back into use**

Our approach to dealing with empty residential properties is twofold:

***Complaint Driven*** – irrespective of the length of time premises remain unoccupied we will visit the property and validate the complaint with a risk assessment of the property and make contact with the owner to determine the reasons for lack of occupation and proposals of bringing the property back into use.

***Empty and Unfurnished over 24 months*** – we will visit and risk assess all properties that have remained unoccupied for over 2 years. We will make contact with the owners to ascertain their intentions for property.

Dependant on the response of the owner we will determine the most appropriate course of action to bring the property back into use.

#### *Initial Approach*

In the first instance, we aim to provide assistance to the owners of empty residential properties. This assistance will vary on a case by case basis and will range from simple advice on property repair and maintenance to linking owners with relevant agencies and organisations. It is anticipated that this element of work will not require direct financial commitment from the Council.

Where the owner proves difficult to trace through usual routes such as HM Land Registry, Electoral Roll, Council Tax records or officer's knowledge we will consider the use of the services of tracing agents.

In all cases we will at least correspond with owners to make them aware of the Council's concerns in relation to residential properties remaining unoccupied and seek to open a dialogue where we can encourage residential use of the property.

#### *Escalated Approach*

Where the initial correspondence letter fails to generate a response or where it is considered beneficial a direct approach will be made to the last known owner's residence as well as telephone calls and bespoke letters that detail the individual property circumstances and the Council's options to rectify the problems. Further information will be provided on the more serious enforcement actions that are available to the Council.

This escalated approach is intended to convey the seriousness with which the Council view empty residential properties and that voluntary reoccupation of the empty property is preferable to the enforcement process.

This escalated approach is detailed and time consuming, but if successful reduces the need for further more costly and time consuming enforcement action, however if this approach does fail to produce the desired outcome, it will provide the groundwork and justification for the enforcement options as outlined below.

### *Council Tax Premium*

The only piece of legislation made available to the Local Authorities specifically for the treatment of empty residential property is the Empty Property Premium which can be applied at the discretion of the Authority to long term (over 2 years) unfurnished empty property. This can be up to 50% and is applied over and above the full Council Tax normally payable on the property. There are two statutory exemptions to this premium which are:

- a dwelling which would otherwise be the sole or main residence of a member of the armed services , who is absent from the property as a result of such service
- a dwelling, which forms part of a single property that is being treated by a resident of that property as part of the main dwelling

The Council will seek to apply the full 50% Council Tax premium subject to these statutory exemptions and the discretionary exemptions below.

The Council will apply discretion in the following cases when applying the 50% council tax premium:

- Where the owner places their property on the market at a reasonable market value or,
- Where the owner places their property on the market for rent at an average rent for the type and area for that property or,
- Where a property requires extensive works to bring the property back into use and the owner proposes and demonstrates a commitment to execute a scheme of works with a commitment to reoccupy, sell or rent.

### *Empty Residential Property Assistance Loans*

Chorley Council will consider offering an Empty Residential Property Assistance Loan to owners who are unable to self-finance property improvements that would bring them back into occupation. The Council will explore this option on a case by case basis and a loan may be offered on an interest free basis and be fully repayable.

The maximum loan sum in any one case will be £15,000 and it is a requirement that owners will have sought high street mortgage and loan options in the first instance.

The Council will seek to arrange and facilitate such loans through whatever means are available at the time subject to any legal and financial restrictions.

Any loan for this purpose will be subject to Member approval and the Council can be protected against financial risk by placing the loan as a local land charge against the property.

### *Enforcement*

Achieving reoccupation of empty residential properties on a voluntary basis is always the preferred option, and Chorley Council will make all available endeavours to encourage and persuade such progress. However, there are instances where owners cannot be traced, or where the exhaustive attempts to encourage and promote progress from known owners proves unproductive.

Where all other approaches fail, or if there is an imminent risk to health and safety, then a statutory solution may be sought.

All enforcement work will be conducted in compliance with the Regulators Compliance Code and in accordance with the Councils Enforcement Policy.

The property will be evaluated for potential action against the three enforcement routes outlined below:

#### *Empty Dwelling Management Order (EDMO)*

Empty for over 2 years, causing nuisance to the community and has no intention of securing its voluntary reoccupation. The Council and a partner Housing Association or ALMO undertake the management of a property for a set period of time, up to five years, with the EDMO reviewed after that time.

There are currently few EDMO being used at this time as they cumbersome and difficult to administer unless the owner voluntarily agrees to their use. There are usually works required to make a property fit to let which requires careful consideration if the costs are to be recouped from the rental income. EDMO's are open to appeal at any stage. The end result is the likely return of the property into the same ownership as that which left it vacant and neglected in the first instance.

#### *Enforced Sale*

The Law & Property Act 1925 (S30) allows local authorities to recover charges through the sale of the property. This option can only be utilised where there is a debt to the local authority registered as a charge on the property. Works in default can be charged to the property in many cases, allowing the enforced sale process to begin.

Little control is available regarding who acquires the property with little guarantee that the property will be brought back into use.

#### *Compulsory Purchase Order (CPO)*

Compulsory Purchase Orders can be made under s:17 of the Housing Act 1985 or under s:226 (as amended by Planning and 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. The use of these powers is subject an extensive and protracted process including sign off by the Secretary of State. Therefore use of CPO powers will only be considered as a last resort option.

#### *Additional Statutory Powers*

Where an empty property is causing a specific problem to a neighbourhood or is dangerous or ruinous for example, the Council has a range of statutory enforcement powers that can be used. The timing and extent of the action taken will be dependent upon the individual circumstances encountered at the property. The type of powers available includes planning enforcement as well as statutory nuisance powers.

#### *Partnership Approach*

Entering into partnership with external organisations is essential to secure the funding required for larger projects. Chorley will explore opportunities for partnership working and funding opportunities that address the issue of empty residential properties

#### *Working with Registered Providers (RSLs)*

The Council will work with registered housing provider's to identify appropriate opportunities where we can work jointly to bring empty residential properties back into use.

#### *Voluntary Property Acquisition*

The Council may consider a negotiated purchase of a property where other methods of reoccupation have been unsuccessful. The acquisition, possible renovation and subsequent disposal of such properties will be on a case by case basis and subject to Member approval.

Voluntary property acquisition should be explored as a precursor to any Compulsory Purchase Order (CPO) consideration.

#### *External Funding*

Chorley Council will monitor and consider all available external funding opportunities linked to reoccupation of empty residential properties and consider the appropriateness and viability of those funding conditions.