

Overview AND SCRUTINY COMMITTEE

Thursday, 5th October 2023, 6.30 pm
Council Chamber, Town Hall, Chorley

I am now able to enclose, for consideration at the above meeting of the Overview and Scrutiny Committee, the following reports that were unavailable when the agenda was published.

Agenda No	Item	
2	Minutes of meeting Tuesday, 1 August 2023 of Overview and Scrutiny Committee	(Pages 3 - 16)
	Please find attached Final Report of the Empty Properties Overview and Scrutiny Task Group for reference. The Chair, Cllr Sarah Ainsworth, will provide an update under the minutes.	

Chris Sinnott
Chief Executive

Electronic agendas sent to Members of the Overview and Scrutiny Committee

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Overview and Scrutiny Task Group – Empty Properties July 2023



Contents

Contents2

Introduction.....3

Summary Recommendations4

Membership of the Task Group5

Officer Support5

Approach to the Task Group5

Scoping the review5

The Desired Outcomes Were:5

Terms of Reference.....5

Witnesses6

Meetings6

Background and Context.....6

What are Long Term Empty Properties, and Why Are They an Issue?7

Empty Properties and Chorley8

Empty Properties and Other Local Authorities in Lancashire.....9

What Can Be Done About Long Term Empty Properties?11

Conclusion.....11

Appendix A – Legal Powers available to the Council.....12

Introduction

From the Chair of the Empty Properties Task Group Councillor Sarah Ainsworth and Vice Chair Councillor Michelle Le Marinel.



Following the Overview and Scrutiny Committee workplan workshop, the Task Group was set up with the aim to develop and grow an understanding of residential Long Term Empty Properties in the Borough.

The Task Group met on several occasions over the course of 6 months, engaging with a variety of Chorley Council Officers that are involved in dealing with Long Term Empty Properties, Officers from neighbouring authorities, and the Executive Members for Homes and Housing, and Planning and Development.

We would like to thank all the Members involved with this Task Group and to the officers that provided their time, knowledge and support.

We hope the recommendations made within the report are acknowledged and accepted by the Executive Cabinet and then implemented effectively allowing all Members of the Council to benefit from an increased knowledge of long-term empty properties.

Summary Recommendations

The recommendations in this report are informed by the views and ideas provided by the diverse group of stakeholders engaged throughout the review.

The recommendations

1. The placement of 'empty properties' should be reviewed within the organisation structure of the council to determine the most appropriate directorate.
2. The job description of an existing officer should be amended or redefined to include empty properties, or an Empty Properties Officer should be recruited, with the contract type evaluated for its suitability and review if it could be shared with South Ribble.
3. Chorley Council to review and update its Empty Homes Policy as soon as possible. In line with the corporate strategy, the targets set for empty properties should reflect the true picture across the borough. Following this, a Member Learning Session to be conducted to raise awareness and build knowledge for Members.
4. Officers to continue to work in close collaboration, or within a multi disciplinary team, which includes quarterly meetings with key stakeholders to ensure long term properties do not become an issue in the borough.
5. The latest figures for all long term empty properties are to be broken down into wards and presented to Members at the first Neighbourhood Area Meeting of each year.
6. Chorley Council to ensure that the process of reporting suspected long term empty properties is as streamlined and simple as possible for both residents, Members and Officers.
7. Chorley Council to remain vigilant and adaptive to the introduction of new legislation in relation to long term empty properties.
8. Chorley Council, when appropriate, is to secure available funding and work with partners to promote and encourage the restoration of long-term empty properties back into use.
9. Chorley Council, in conjunction with the appropriate Executive Member, to consider the purchase of long-term empty properties on a case by case basis.
10. Chorley council will seek independent counsel opinion with regard to the appropriateness of acquiring individual empty properties using CPO powers in order to bring them back in to use as dwelling houses.
11. In the event of a significant increase in the number of long term empty properties in the borough, a new Task Group or investigation is to be launched to explore the financial and societal burden on the Council, residents and communities.

Membership of the Task Group

Councillor Sarah Ainsworth (Chair)
Councillor Michelle Le Marinel (Vice-Chair)
Councillor Aaron Beaver
Councillor June Molyneaux
Councillor Dedrah Moss
Councillor James Nevett – December 2022 – May 2023
Councillor Arjun Singh
Councillor Kim Snape
Councillor Ryan Towers

Officer Support

Adele Hayes, Head of Planning and Enforcement
Nathan Howson, Enforcement Team Leader (Licensing)
Matthew Pawlyszyn, Democratic and Member Services Officer

Approach to the Task Group

The Task Group approached the topic of Empty Properties as an overview and educational exercise, to develop and grow understanding of Empty Properties in the Borough

Scoping the review

The objectives the Task Group wished to achieve

- To gain a greater understanding of empty properties, the definition used, and the powers available to the council
- To understand the number of empty properties within Chorley and how it compares to other neighbouring borough councils
- To ensure that the council is fulfilling its required duties and exercising best practice.

The Desired Outcomes Were:

- To be updated on the number of empty properties in the borough. To understand definition used to classify long term empty properties and to understand what powers the council has in relation to empty properties, and the circumstances required for powers to be exercised.
- To benchmark the position of Chorley Council in respect of the number of empty properties in the borough.
- To understand the process of empty properties in Chorley, and to understand how each department within the council is involved with empty properties.

Terms of Reference

- To understand how the council handles empty properties in the borough.
- To establish if there is anything that the council could do to improve its empty property figures and understand the resources that will be needed.
- To develop recommendations to Executive Cabinet on how the council can make improvements.

Witnesses

The following witnesses met with the task group and/or provided information.

Chorley Council Officers

- Jennifer Mullin, Director of Communities
- Adele Hayes, Head of Planning and Enforcement
- Nathan Howson, Enforcement Team Leader (Licensing)
- Alex Jackson, Legal Services
- Laura-Jean Taylor, Head of Public Protection
- Alison Wilding, Head of Customer Services
- Andrew Bamber, Revenues & Benefits Manager

Chorley Council Executive Members

- Councillor Alistair Morwood, Executive Member for Planning and Development
- Councillor Terry Howarth, Executive Member for Homes and Housing

External Partners

- Simon O'Hara, Empty Properties Officer, Hyndburn Borough Council
- Claire Taylor, Empty Homes Officer, Lancaster City Council
- Ian Walker, Service Assurance Team Leader, Rossendale Borough Council
- Pradip Patel, Senior Strategic Housing Officer, South Ribble Borough Council

Meetings

The agendas, minutes and livestreams of each meeting can be found on the Council's website [Browse meetings - Overview and Scrutiny Task Group - Empty Properties \(chorley.gov.uk\)](https://www.chorley.gov.uk/Browse-meetings-Overview-and-Scrutiny-Task-Group-Empty-Properties)

Background and Context

At the Overview and Scrutiny Work Programme Workshop held in June 2022, Members expressed interest in learning more about empty properties and to what extent long term residential empty properties were an issue within the Borough. Due to unforeseen circumstances, the report was deferred from its place at the Overview and Scrutiny Committee in October 2022. A decision was made that instead of a report, a Task Group would be established to develop and cultivate a greater understanding of empty properties and its landscape within the Borough.

The Task Group held its first meeting 14 December 2022. Councillor Sarah Ainsworth was appointed Chair, and Councillor Michelle Le Marinel was appointed Vice Chair.

At the first meeting, Members were provided Chorley Council's Empty Property Policy, and were given the most up to date empty property figures in Chorley.

Following the first meeting, a world café event was arranged for the membership to meet with officers within Enforcement, Revenues and Customer Services, Public Protection, Legal and Housing to discuss their area's involvement with long term empty properties and to answer questions and queries from the membership. The Task Group congregated a fortnight later to share what was learnt.

What are Long Term Empty Properties, and Why Are They an Issue?

Long term empty properties are described as a property that has not been occupied and has been substantially unfurnished for a period of 24 months or more.

Council Tax legislation provides the provision for varying amounts of Council Tax to be charged for empty properties, dependent on the category of unoccupied property and the length of time it has been empty.

Some of these Council Tax charges are statutory, such as exemptions because the occupier has moved to receive care or passed away. Others can be set locally at the Council's discretion within prescribed parameters, these are summarised below:

- Empty, unoccupied and unfurnished (0-6 months)
- Empty unoccupied and unfurnished (6-24 months)
- Long Term Empty Properties (LTEP) (24+months)

These categories relate only to residential properties. Not all properties that are empty are classified as an empty property. For example, a dwelling that is the main residence of a member of the armed forces that is empty for a period greater than six months would not be considered an empty property.

The Council's current Empty Homes Policy states that the first two categories of empty property will not be the subject of proactive intervention unless a complaint is received regarding the condition of the property. For long term empty properties, the policy states that the Council will visit and risk assess each property and take action to bring it back into use.

There are several reasons as to why properties are empty, these include but are not limited to

- The death of the owner
- Issues related to inheritance and drawn out legal issues
- The owner left the property and entered care
- Financial issues with the cost of repair and upkeep
- Personal issues of owners
- Difficulties in locating the owner.

Long term empty properties represent a wasted resource and can cause a number of issues for the owner, their neighbours, and the surrounding area. Empty properties can attract antisocial behaviour, increase the risk of fly tipping, and can be the target of serious crime such as arson. Long term empty properties that are not maintained can impact the amenities of the neighbourhood and negatively impact the value of neighbouring properties.

Returning a long term empty property back into use enables the owners of the property to gain capital by selling the property or adding it to the rental market. For local residents, it reduces the appeal for antisocial behaviour. For the local economy, a property in use provides a contribution.

Empty Properties and Chorley

In 2017, Chorley Council placed the responsibility for empty properties under the umbrella of enforcement, comprising Planning Enforcement, Building Control and Licensing. A post of Enforcement Officer (Licensing and Empty Properties) was established which was a split post between the two functions. This post became vacant and dissolved in May 2021 and was replaced with the position of ‘Enforcement Officer (Licensing)’ which did not contain the enforcement of empty properties within the job description. Since May 2021 there has been no active enforcement of long term empty properties in the borough.

Recommendation 1: The placement of ‘empty properties’ should be reviewed within the organisation structure of the council to determine the most appropriate directorate.

Recommendation 2: The job description of an existing officer should be amended or redefined to include empty properties, or an Empty Properties Officer should be recruited, with the contract type evaluated for its suitability and review if it could be shared with South Ribble.

Recommendation 3: Chorley Council to review and update its Empty Homes Policy as soon as possible. In line with the corporate strategy, the targets set for empty properties should reflect the true picture across the borough. Following this, a Member Learning Session to be conducted to raise awareness and build knowledge for Members.

Year	Average empty properties in Chorley.
2017	156
2018	151
2019	142
2020	152
2021	157

Figure 1: Average number of long term empty properties in the borough by year

To encourage property owners to bring their properties back into use. The Council decided to utilise the discretion available within Council Tax legislation and apply the maximum premium permitted to Council Tax properties which have been unoccupied and unfurnished for more than 2 years, this applies as follows:

Length of Time Vacant	Council Tax Premium (additional charge on top of existing Council Tax bill)
From 01/04/19, 2-5 years	100%
From 01/04/20, 5-10 years	200%
From 01/04/21, 10+ years	300%

As of 1 April 2023, the Council had 120 long term empty properties subject to a Council Tax Long Term Empty Premium. There were 82 properties that had been empty between 2 and 5 years, 13 that had been empty between 5 and 10 years and 25 properties that had been empty for more than 10 years.

Ward	Number of Premiums	100% Premium	200% Premium	300% Premium
Adlington	4	2	0	2
Anderton	2	2	0	0
Bretherton	1	1	0	0
Brindle	1	0	0	1
Charnock Richard	1	1	0	0
Clayton le Woods	7	2	2	3
Coppull	3	3	0	0
Croston	1	0	1	0
Cuerden	1	1	0	0
Eccleston	6	5	0	1
Euxton	13	5	3	5
Heath Charnock	3	3	0	0
Heskin	2	1	1	0
Hoghton	5	2	1	2
Mawdesley	6	5	0	1

Figure 2: Breakdown of empty properties by Parish, and number charged additional council tax due to duration. (Accurate as of 2 June 2023)

Recommendation 4: Officers to continue to work in close collaboration, or within a multi-disciplinary team, which includes quarterly meetings with key stakeholders to ensure long term properties do not become an issue in the borough.

Recommendation 5: The latest figures for all long term empty properties are to be broken down into wards and presented to Members at the first Neighbourhood Area Meeting of each year.

Recommendation 6: Chorley Council to ensure that the process of reporting suspected long term empty properties is as streamlined and simple as possible for both residents, Members and Officers.

Empty Properties and Other Local Authorities in Lancashire

A request was made in December 2022 to all other Borough Council’s in Lancashire for their definition of long term empty properties and their figures of long term empty properties. Four Borough Councils responded, Hyndburn, Lancaster, Rossendale, and South Ribble.

Hyndburn Borough Council were in the process of updating their Empty Homes Strategy and told that they prioritised properties that had been empty for over two years, but were examined on a case by case basis, with a focus on the condition and neighbourhood impact of the home. As of 22 December, there were 442 empty properties that had been empty for six months or longer, which was 1.18% of the houses in the borough.

Lancaster Borough Council as of 1 October 2022, had 716 Long Term Empty Properties that had been empty for six months or more, with 230 properties that had been empty for a period of two years or longer.

Rossendale Borough Council, as of 21 December 2022, had a total of 32,418 domestic properties in the borough. 340 properties had been vacant for more than six months, but less than two years. 102 properties had been empty longer than two years but less than five

years. 35 had been empty for more than five years but less than ten. And there were 32 properties that had been empty for more than ten years. It was also added that there were 63 properties that were undergoing major repair or structural alteration that been ongoing for more than a year.

South Ribble Borough Council considered an empty property to be one that was vacant for more than six months. As of 15 December 2022, there were 761 empty properties in the borough.

South Ribble updated their Empty Property Policy in 2021 and offered free independent advice to owners of empty properties to support the property being returned to use.

Where substantial work is required to make a property inhabitable, renovation grants are available, however, the property must be between Council Tax band A – D, and not meeting the required standard for a habitable dwelling.

For eligible properties, the grant available is £4500 per bedroom. South Ribble Borough Council will instruct on what renovations are to be made with the grant, and there are expectations that the owner of the property will invest their own capital into the project.

In return for the grant, the property must be let for five years from the completion of the renovation, and the landlord must accept nominations of suitable tenants from the Council. If during the five years a tenant vacates the property, the council will expect the landlord to return to the council for the next tenant. The landlord will choose from three tenants from the waiting list. The rent level is set in line with the local housing allowance rates for the area, and the landlord must accept a written bond or a cash deposit bond from the council, and all tenants must be issued with an Assured Shorthold Tenancy (AST).

In 2021, South Ribble provided six grants, in 2022, seven grants were provided with four projects on the waiting list to be awarded the grant.

Local Councils often take the opportunity to use 'Empty Homes Week', in late February or early March to publicise activities and current incentives to reduce the number of empty homes in the area. This year, Preston City Council partnered with Community Gateway for their 'Making Homes from Houses Project'. This project aimed to renovate empty properties to be bought back into use as a home for those with a housing need. The eligible properties were empty for longer than a year and in need of repair and renovation. The project offered two options, the first was to buy the empty property, fund the work and then rent it to those with a housing need. The other option was a 'repair and lease scheme' in which the partnership funded the work in exchange for the property to be rented out at an affordable rate for an agreed number of years.

Recommendation 7: Chorley Council to remain vigilant and adaptive to the introduction of new legislation in relation to long term empty properties.

Recommendation 8: Chorley Council, when appropriate, is to secure available funding and work with partners to promote and encourage the restoration of long-term empty properties back into use.

What Can Be Done About Long Term Empty Properties?

It is to the benefit of both the council and the owner of a long-term empty property to cooperate and work positively to achieve the desired outcome. If the owner of the empty property is not in a position to complete the required work, the council may assist and provide pathways for the owner to allow the upkeep and repurposing of the empty property. Rather than to resort to formal enforcement powers, Chorley Council preferred to work in collaboration with the owner but reserves the right to exercise enforcement powers which are set out in appendix A if appropriate.

A key discussion throughout the Task Group, was the potential for the Council to purchase appropriate long term empty properties and add them to its housing stock to provide to those with a housing need. It was highlighted that Chorley Council was approaching owning 200 social dwellings, if the number were to reach 200, the council would be required to open and operate its housing stock within a Housing Revenue Account, in doing this would result in additional costs and financial restrictions for the council.

Recommendation 9: Chorley Council, in conjunction with the appropriate Executive Member, to consider the purchase of long-term empty properties on a case by case basis.

Recommendation 10. Chorley Council will seek independent counsel opinion with regard to the appropriateness of acquiring individual empty properties using CPO powers in order to bring them back in to use as dwelling houses.

Recommendation 11: In the event of a significant increase in the number of long term empty properties in the borough, a new Task Group or investigation is to be launched to explore the financial and societal burden on the Council, residents and communities.

Conclusion

The Task Group was formed to provide Members an educational overview and understanding of what defines a Long-Term Empty Property, and what factors go into the classification that makes it a long-term empty property. The Task Group wanted to discover the benchmark of long-term empty properties and where the number in Chorley sat in comparison to other areas of Lancashire. In addition to understanding what powers the council has against long term empty properties.

Through investigation and evidence gathering, and information provided by Chorley Borough Council Officers and assistance from other councils in Lancashire, the membership developed a greater understanding of the legal framework of long-term empty properties and what can be done about them.

It was concluded that Chorley did contain a few problem long term empty properties. Recommendations within this report were crafted and presented to minimise the risk of a problem developing with long term empty properties and sought to promote further engagement and cooperation with owners of long-term empty properties and external partners, to minimise the impact and to maximise the number of occupied homes in the borough.

Appendix A – Legal Powers available to the Council.

Empty Dwelling Management Order (EDMO)

If a property is empty for a period of greater than two years, causing a nuisance to the community, and there is no intention of securing voluntary reoccupation. The Council and a partner Housing Association or an arms-length management organisation (ALMO) can undertake the management of the property for up to five years.

Due to the cumbersome nature and difficulty to administer this without a voluntary agreement by the owner, EDMO's are rarely considered and exercised. The Orders that were enacted recouped the cost from rental income. An EDMO can be appealed at any stage with the likely result of the property returning to the owner, which is likely to prolong the neglect and vacancy.

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. There is little control available as to who acquires the property, and there is no guarantee that the property would 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 to an extensive and protected process including sign off by the Secretary of State. The use of CPO would only ever be considered as a last resort.

Additional Statutory Powers

If a property caused specific problems to a neighbourhood, is dangerous or in a state of ruin. The council has a range of statutory enforcement powers. The timing and extent of the action depends on the individual circumstances encountered at the property.

Partnership Approach

The council can enter into a partnership with external organisations to secure funding for larger projects.

Working with Registered Providers (RSLs)

The Council can work with registered housing providers to identify appropriate opportunities where joint work could be undertaken to return empty residential properties back to use.

Voluntary Property Acquisition

The Council can consider a negotiated purchase of a property where other methods of reoccupation are unsuccessful. The acquisition, possible renovation and disposal of property would be on a case by case basis, and subject to Member Approval. Voluntary Property Acquisition should be explored as a precursor to any CPO consideration.



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