

REPORT TITLE: EMPTY HOMES STRATEGY 2022 - 2027

21 JUNE 2022

REPORT OF PORTFOLIO HOLDER: Cllr Paula Ferguson, Cabinet Member for
Community and Housing

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WARD(S): ALL

PURPOSE

To consult with the committee on the draft Empty Homes Strategy (2022-2027) to seek their views before formal approval by Cabinet.

RECOMMENDATIONS:

Policy Committee:

1. That the council reviews this draft strategy which addresses empty homes within the Winchester district.
2. That the council reviews and comments on the aims and objectives set out in Appendix 4.
3. It is noted that this strategy targets empty properties, especially those which have been vacant for 24 months or more.

1 RESOURCE IMPLICATIONS

- 1.1 To enable the council to fulfil the aims and objectives within this strategy, it is intended to make use of existing resources within the Private Sector Housing Team to implement the strategy proposals and review the outcomes.
- 1.2 Whilst the Strategy will in the main be implemented through informal measures, it should be noted that no resources have been set aside to support formal enforcement action such as Empty Property management orders or Compulsory Purchase Orders. As these options are only expected to be used in exceptional cases, the resource implications of each case will need to be assessed and approved at that time.

2 SUPPORTING INFORMATION:

2.1 Background

- 2.2 CAB2790 (HSG) was brought to Cabinet (Housing) Committee on 22 March 2016 and introduced the 2016 - 2021 Empty Property Strategy which has been in place since then.
- 2.3 This paper introduces a refresh of the strategy and sets out a pragmatic framework that underpins the way Winchester City Council will continue to approach its work to tackle empty homes and supersedes the previous strategy.
- 2.4 This policy has been developed in the context of the council's current corporate aims and values, and to underpin a response that is proportionate and in context; in that Winchester is fortunate and has for its 250 square mile size relatively low levels of very long term vacant properties (vacant for 2 years or more) the numbers of which have remained relatively stable over the duration of the previous strategy.
- 2.5 Section 3 of the Housing Act 2004 (the Act) requires local authorities to consider housing conditions within their District, with a view to determining what action to take under their duties and powers to deal with housing conditions including empty dwellings.
- 2.6 The definition of an empty dwelling under the Act is "a dwelling that has remained vacant for more than six months" (the definition) although there are exemptions detailed in section 134 (6) of the Act.
- 2.7 There is no legal requirement for a local authority to have or implement an Empty Homes (Property) Strategy, but it is good practice and helps to give clarity, direction and focus to the issue of dealing with empty homes.

- 2.8 Long term empty properties are a wasted resource and if left unoccupied and unattended can fall into disrepair and neglect, becoming a blight on their neighbourhood by attracting anti-social behaviour including fly tipping and vandalism and reducing property values in the local area.
- 2.9 Bringing an empty property back into use is of benefit to the individual owner as it provides them with a tenant who becomes housed and / or a new owner with a home for them and their family, plus has advantages to the wider community and encourages economic activity.
- 2.10 Winchester Empty Private Sector Housing Stock Data
- 2.11 A scrutiny of Council Tax records at the end of 2015 listed 307 private properties as being empty, with the lengths of vacancy being:
- a) 6 – 12 months - 102 properties
 - b) 12 – 24 months - 90 “
 - c) 24 – 36 months - 37 “
 - d) 36+ months - 78 “
- 2.12 As of the end of March 2022 Council Tax records listed 409 privately owned properties as being empty, with the lengths of vacancy being:
- a) 6 – 24 months – 175 properties
 - b) 12 – 24 months - 147 “
 - c) 24 – 36 months - 45 “
 - d) 36+ months - 42 “
- 2.13 Although the total number of empty homes vacant for between 6 to 36 months has increased as highlighted above, the number of homes vacant for in excess of 36 months has fallen by in excess of 40%. This is likely to be because of the higher council tax premium payable at 100%, for homes vacant over 2 years and the impact of the council's current strategy. The very long-term empty properties can cause the most concern, as if not maintained they will deteriorate and possibly become an eyesore and blight a neighbourhood.

3 Implementing the Strategy

3.1 The Strategy straddles the years 2022 to 2027. The Private Sector Housing (PSH) team will be primarily responsible for its implementation and will follow the core objectives in delivering the Strategy in an attempt to increase the number of empty homes brought back into use.

3.2 The strategy objectives are:

- Objective 1 – Identify and monitor
- Objective 2 - Engagement
- Objective 3 - Signposting
- Objective 4 – Enforcement

3.3 More detail around each objective is detailed in the strategy.

4 Enforcement and Wider Local Authority Powers to Address Empty Properties

4.1 The council's core approach to bringing empty homes back into occupation will be through providing advice and encouragement to owners, negotiation and persuasion as well as charging a premium on council tax. However, there will be some instances in which an empty property is having such a detrimental and negative impact on a neighbourhood, direct enforcement action will have to be considered, the main options to return a property to occupation being:

4.2 (i) Empty Dwelling Management Orders (EDMO)

The Act makes provision, by way of interim and final Empty Dwelling Management Orders for the council to secure the occupation and management of empty private homes. The procedure for seeking initially an interim EDMO from the First-tier Tribunal Property Chamber (Residential Property) is well defined, in that a property must have been vacant for at least 2 years before the EDMO procedure can be used. It is also essential that it can be demonstrated and evidenced to the Tribunal that the property has been contributing to and causing anti-social behaviour. The tests to obtain an EDMO are similar to that described below for a compulsory purchase order.

An EDMO is an option of last resort and required to meet the public interest test prior as private rights such as right to uninterrupted property and quiet enjoyment of family life, under the Human Rights Act 1998, are overridden through the implementation of this power.

4.3 (ii) Compulsory purchase orders (CPOs)

A compulsory purchase order is an option of last resort and obtained through the powers set out in either S17 of the Housing Act 1985 (acquisition of houses, usually used if the property is in good condition) or S226 (1) (a) Town and Country Planning Act 1990 (acquisition to facilitate carrying out of

development, redevelopment, or improvement in relation to the land, e.g. if property is in poor condition). Providing a number of pre-conditions are met, under these powers, the Council can compulsorily purchase the property from the owner and then sell the property. A condition on the sale contract can be added to ensure that the property is brought back into use within an agreed timescale. A request is made by the council to the secretary of state to confirm such an Order and a public inquiry may be held should there be any objections. The Council must show that the public interest has been met and the use of the powers is as a last resort. Therefore, the local authority will have to show that they have taken steps to encourage the owner to bring the property into acceptable use within a reasonable time period, and how the public interest test is met such as the reasons for making a CPO justify interfering with human rights of anyone with an interest in the property.

CPOs are a lengthy and expensive process and are an action of last resort when all other options have been exhausted and have failed to convince the owner to bring a property back into use, or where an owner cannot be traced or where a property has been vacant for a long time and is causing a nuisance or is danger to the public. Implementation is via a General Vesting Declaration and may end up in the First-tier Tribunal Property Chamber (Residential Property).

4.4 (iii) Enforced sale procedure

Under the Enforced Sale procedure, the council is exercising a power of sale of a property over which it has a charge (in the same way as a bank can force the sale of the property on which it has a mortgage, where the borrower fails to repay the loan). The public interest test must be met, and the purpose is to enforce the charge.

5 Carbon reduction

- 5.1 PSH cannot make the owners of empty homes install energy saving measures, but owners will be strongly encouraged to ensure their property achieves at least an Energy Performance Certificate (EPC) Band E, or preferably higher, if it is their intention to refurbish the property and put it on the market for sale. Similarly, a property any landlord intends to let must also achieve a minimum of Band E.

6 A successful case

- 6.1 The Government does not collect data on the number of EDMOs issued, but in February 2015 an investigation by the Guardian newspaper reported that only 108 EDMOs had been issued since their inception in 2006. Winchester City Council added to this number in March 2020 by one.

- 6.2 During the life of the previous strategy PSH were successful in obtaining an Interim Empty Dwelling Management Order (EDMO) from the First-tier Tribunal (Residential Property Chamber). A number of months later this was followed by the issuing of a Final EDMO in respect of a home in the Badger Farm neighbourhood of the city. This property had been vacant for in excess of 10 years and during that time suffered a flood causing extensive internal damage, had been subject to ongoing and frequent ASB. The house was blighting an otherwise pleasant community. After securing control of the property for 7 years and renovation works costing in excess of £50k, the house was let to a family previously facing homelessness. The rental income during the 7 years the council has control over and responsibility for the property will enable the council to recoup its refurbishment costs in full. At the end of the 7 years the house will be returned to the owner.
- 6.3 There is no allocated budget set aside for improving a property via the EDMO process and any funding required would have to be sourced from alternative council revenue. This can be recouped through rental income. In respect of the previous final EDMO in 2020, the council were successful in obtaining control of the property and a family who were facing homelessness were placed into this accommodation and are charged a rent by the council for up to 7 years.
- 6.4 The instigation of enforcement action through the EDMO process is only appropriate in extreme cases, as demonstrated by the relatively few issued nationally by local authorities. The council last issued one in 2020.
- 6.5. The Empty Homes Strategy 2022 - 2027 takes into consideration the absence of any direct financial incentives available from the council but does advise on the ability of homeowners to seek a VAT reduction where they intend to refurbish a property that has been vacant for at least 2 years.
- 6.6. The use of enforcement powers detailed within this report will be used where reasonable and appropriate, with enforced sale procedure, EDMO or CPO considered as a last resort and when all other statutory tests are met.

7. Conclusion

- 7.1. As of March 2022, there were 42 properties in the district listed as empty for more than 2 years. The policy focuses on bringing all long-term empty properties back into use , especially if there is evidence of ASB.

8. OTHER OPTIONS CONSIDERED AND REJECTED

- 8.1 There is no legal requirement for a local authority to produce a dedicated empty homes strategy, but it is good practice to have one and supports the council to take enforcement action via the interim and final EDMO route. Not to have a strategy is therefore rejected.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

CAB2790 (HSG) – Private Sector Empty Property Strategy 22 March 2016

Other Background Documents:-

Empty Homes in England 2019 - published by the national campaigning charity 'Action on empty homes'

<https://www.actiononemptyhomes.org/Handlers/Download.ashx?IDMF=a5ea72d6-b24a-4f8e-8dc0-451a6da170e6>

House of Commons Library Briefing Paper Number 3012 21 October 2020

<https://commonslibrary.parliament.uk/research-briefings/sn03012/>

APPENDICES:

Appendix 1 – Draft Empty Homes Strategy 2022 - 2027