

Arun District Council

REPORT TO:	Environment Committee - 31 January 2023
SUBJECT:	Empty Homes Strategy 2023 – 2028
LEAD OFFICER:	Karl Roberts – Director of Growth Nat Slade – Group Head of Technical Services
LEAD MEMBER:	Councillor David Edwards
WARDS:	All
CORPORATE PRIORITY / POLICY CONTEXT / CORPORATE VISION: The Empty Homes Strategy supports the Council Vision priority of delivering the right homes in the right places. The Vision document states that one of the ways which the Council will do so is to continue to bring empty homes back into use for the benefit of the community.	
DIRECTORATE POLICY CONTEXT: The Directorate has an existing strategy which was adopted in 2018 for a period of 5 years and is therefore due for renewal in 2023. It is good practice to have a strategy in place with clear aims and objectives to help support the empty homes work and enforcement.	
FINANCIAL SUMMARY: Capital funding was allocated in 2014 to offer financial assistance to empty property owners in the form of grants and loans, and to also assist with enforcement work. Action is taken to ensure monies are either recycled, in terms of the loans and enforcement action is recharged and paid back. However, with increased enforcement activity and the length of time it can take in certain circumstances for the Council to recoup their money there is the potential for funds to be decreased and limit activity in this area. Revenue budget is provided for a fulltime officer. Since June 2022 following Environment Committee recommendation, budget has been provided for an additional part time Technical Support Assistant resource to increase capacity to deliver this function.	

1. PURPOSE OF REPORT

- 1.1. The current Empty Homes Strategy expires in 2023 and therefore requires revision and update, the purpose of this report is to review the previous strategy and performance and to seek members approval to adopt a new 5 year strategy for 2023 – 2028.

2. RECOMMENDATIONS

- 1.2. That committee adopt the Empty Homes Strategy 2023 – 2028.

2. EXECUTIVE SUMMARY

- 2.1. The Council is committed to playing its full part in the national campaign to bring empty homes back into use and has had an empty homes strategy for the past 10 years the latest one being 2018 – 2023. The strategy details the aims and objectives of addressing long term empty homes in the district.
- 2.2. The strategy has been updated and it details the positive work that has been achieved since 2018 and outlines a revised plan for the next 5 years to tackle empty homes across all tenures within the Arun district. This report therefore recommends the adoption of the new Empty Homes Strategy 2023 – 2028 which is appended to the report.

3. DETAIL

- 3.1. Empty homes represent a wasted resource and can have a negative impact on local communities. Long term empty homes can:
 - Attract crime, vandalism and anti-social behaviour
 - Become a public health hazard and magnet to vermin as well as look unsightly and pose a potential danger to the community including children
 - Detract from the neighbourhood amenity
 - Reduce the value of adjacent properties
 - Cost the community for visits and action by Police and the Council's Private Sector Housing and Public Health Team as well as the loss of Council Tax revenue.
- 3.2. Arun District Council is committed to playing its full part in the national campaign to bring empty residential properties back into use. Since 2006 the Council has had a part time resource in an Empty Homes Officer and from April 2017 this position was made full time. In addition a part time resource was also made available in 2022 for a Technical Support Assistant to work alongside the Empty Homes Officer.
- 3.3. There has been an empty homes strategy in place since 2012, therefore this will be the third edition and details the aims and objectives of addressing long term empty residential properties in the district.
- 3.4. As of November 2022 Council Tax records showed 556 homes as empty for over 6months within the Arun area. The Empty Homes Officer works closely with the Council's Revenues Team and receives monthly reports that identifies empty properties in the district.
- 3.5. Each empty property is different and there are many reasons why they become empty. These reasons can be sensitive and it is important to be understanding of different situations. Therefore the empty homes strategy has three key steps:
 - Engage – engage in methods of identifying properties
 - Encourage – encourage owners of empty properties to bring them back into use

- Enforce – enforcement action will be used in appropriate circumstances to target long term empty properties if owners fail to co-operate.

- 3.6. The updated strategy identifies the positive work and achievement during the second strategy period 2018 – 2023 and details the plan and approach for the next five years to tackle the issue of empty homes across the district.
- 3.7. Summarised below are some achievements over the last strategy period 2018–2023 and changes that have been adopted and implemented for the coming Strategy.

Achievements and Performance 2018-2023

- 3.8. The table below shows the number of empty homes which have been brought back into use through direct intervention by the Empty Homes Officer.

Year	Target	Actual
2018/2019	30	82
2019/2020	30	67
2020/2021	30	76
2021/2022	50	141

- 3.9. The informal engagement and encouragement can be effective in a number of cases, however, often the Empty Homes Officer has to resort to enforcement to ensure that the property is brought back into use. This can involve a range of formal enforcement notices requiring repair and renovation works to be completed by the owner in a specified timescale or requiring works to deal with public health issues such as clearing gardens and/or properties of waste and tackling rodent infestations. Often failure to comply with such a notice provides the Council with a legal right to carry out the works in default and to recover the cost.
- 3.10. Over the past 5 years works in default have been carried out on 17 properties. Various pieces of legislation have been utilised to deal with a range of issues, for example, garden clearances to address potential vermin infestations, securing of premises where unauthorised entry is being made and there is a risk to public safety, internal refurbishments where improvement notices have not been complied with. In all cases, the works in default have either facilitated the property being sold or reoccupied.
- 3.11. The funding from the Empty Property Assistance Programme is used to support the Council undertaking enforcement action including works in default. Any money the Council spends undertaking works in default is recovered by charging the owner of the property for the remedial works. The Council is also able to charge the owner for officer time incurred coordinating the remedial works.

- 3.12. The Council can enter a local land charge onto the Council's Local Land Charges Register if payment is not received. The charge enables the Council to implement the Enforced Sale Procedure should the debt remain unpaid for a specified period despite demands or notices being issued.
- 3.13. The Council has the power of sale of the property, conferred by the Charge, and is therefore able to sell the property using its statutory power of sale. It is the same power that a bank or building society would rely upon to sell a house, when the owner has defaulted on the mortgage. The Council receives the sale proceeds on completion of the sale and is then able to deduct monies to pay for the works in default and the associated costs of the sale. During 2018 – 2023, 2 enforced sales were completed, recovering in total £28,170.87.
- 3.14. For the first time in 2018 the Council used powers under the Housing Act 1985 and 2004 to serve demolition orders, 3 have been served to date, the outcomes of which were:
- The owners of the property complied with the order and undertook the demolition works themselves
 - The property was sold via auction and the new owner has undertaken significant renovation and refurbishment to a high standard.
 - The demolition order was unsuccessfully appealed and has now become operative. If the owners do not undertake the necessary works within the given timeframe the property must be demolished. Should the owners fail to complete the works, the Council shall have the ability to conduct the demolition as works in default and charge the owner for the cost of those works.
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- 3.15. Demolition orders remain available under Part 9 of the 1985 Act as amended. They are a possible response to serious hazards that are identified in a property where this is the appropriate course of action. In deciding whether to make a demolition order the Council will:
- take into account the availability of local accommodation for rehousing any occupants;
 - take into account the demand for, and sustainability of, the accommodation if the hazard was remedied;
 - consider the prospective use of the cleared site;
 - consider the local environment, the suitability of the area for continued residential occupation and the impact of a cleared site on the appearance and character of the neighbourhood.
- 3.16. Whilst this course of action removes a residential property from the private sector housing stock, and therefore these decisions are not taken lightly, it does deal with and remove an empty property and in turn generally provides for a more viable plot of land and development opportunity either for the owner or a prospective buyer.

- 3.17. Since 2018 the Council has received 10 appeals, via the First Tier (Property) Tribunal from property owners regarding Housing Act 2004 Improvement Notices and also Housing Act 1985 Demolition Orders that have been served. In all but one case, the Tribunal found in favour of the Council and upheld the notices, thus supporting the work and enforcement approach that the Council has taken in regard to empty homes.
- 3.18. It should be noted that any appeal requires considerable time to prepare and therefore impacts on the time available to the Empty Homes Officer to engage with owners of other empty properties. However, learning from these experiences some work has been undertaken to review our enforcement processes and decision making to help ensure appeals are less likely or where they do occur, they take less time to deal with.
- 3.19. Another enforcement option available is one of compulsory purchase. This is considered a last resort and would mean that the Council becomes the legal owner of the property before then selling it on the open market. Such action was undertaken in 2014 in respect of a property in Bognor Regis and in January 2019 the compensation funds were credited to the nominated account and the process finalised, illustrating that enforcement cases can be very complex and time consuming.
- 3.20. The success of the work being achieved in regard to empty properties has been recognised by the Empty Homes Officer obtaining three awards for National Empty Homes Conference Practitioner of the Year 2019, National Empty Home Network – Meeting the Challenge Award 2021, National Empty Homes Network – Best Before and After Property Photographs 2022.

Changes to the Strategy for 2023 – 2028

Empty Property Assistance Program

- 3.21. The Housing and Customer Services Working Group on 3 July 2014 recommended to Cabinet that the Empty Property Assistance Programme was set up to help provide grants and loans to owners of empty properties to bring them up to decent home standard and back into occupation. £200,000 was approved for the provision of loans which would be directly paid back and a supplementary estimate of £100,000 was agreed to support the grants and enforcement work.
- 3.22. Property owners can apply for assistance which can be in the form of a grant which will be up to a maximum of £5,000 or an interest free loan which is up to £10,000 and paid back on a monthly basis over an agreed term.
- 3.23. In exchange for a grant or loan the Council would have nomination rights for a five-year period. The property owner is also required to join the Arun and Chichester Landlord Accreditation Scheme and meet these standards.
- 3.24. The grants and loans are registered with the Land Registry as a charge on the property and become payable if the property is sold or there is a change of tenure within 5 years.

- 3.25. There has been limited take up of this funding, unfortunately because of the misconceptions perceived by property owners regarding potential tenants nominated by the Council. Therefore, a review has been undertaken to make the scheme more attractive and thereby increasing the number of empty properties brought back into use.
- 3.26. Kent County Council are very active in the empty homes field and have a multimillion pound “No Use Empty Scheme” and using delegated authority provided by the Environment Committee on 17 November 2021 the Group Head for Technical Services has agreed an expansion to the criteria for financial assistance to empty homeowners to renovate their properties to sell.
- 3.27. It is anticipated that the adoption of the same practice by Arun District Council will increase the likelihood of a positive outcome for all parties and prevent any potential enforcement action.
- 3.28. The Council's interest will be protected by the registration of a local land charge. This is the usual practice currently operated under the existing scheme. Once the property is sold a proportion of the sale proceeds are paid back to the council to redeem the charge.

Council Tax Charges

- 3.29. On 30 September 2021 a report was presented to the Residential and Wellbeing Committee regarding Council Tax and empty homes discount. The recommendation to increase the premium on long term empty properties was approved by Full Council and took effect from 01 April 2022. These increases are detailed within the revised strategy and provide another tool for the Empty Homes Officer to encourage empty homeowners to bring their properties back into use.

Review of Procedures

- 3.30. A review has taken place of the processes and procedures for empty homes work and the mail out timings have been changed to target those properties that are 12+months empty with an aim of targeting the longer-term empty homes rather than the ones that are going through protracted sales, probate or refurbishment.

Staffing

- 3.31. Since 2017 the Council has had a full time Empty Homes Officer, and resources were made available and in June 2022 a part time Technical Support Assistant was recruited.
- 3.32. This additional resource will enable further work in the form of:
- Publicise the work of the Empty Homes Officer through press articles, Arun Times and social media to help promote the success stories but also to raise awareness of how the Council can assist.

- Partnership working could be developed with agencies such as Turning Tides, YMCA and other charitable housing organisations to partner and match fund mutually beneficial projects.
- Set up quarterly inter departmental meetings to assist with transparency and communication across the Council, to include discussion on long term empty properties to ensure a corporate approach and joint working.
- Streamline enforcement and works in default processes by procuring a five-year contract for a local business to undertake small works following non-compliance with legal notices. Currently the Empty Homes Officer has to obtain a number of quotes to show value for money which is time consuming.

Summary

3.33. The Empty Homes function has shown successful activity over the past two successive strategies spanning 10 years, but this continues to be an evolving and important area of work in bringing much needed empty homes back into use. Therefore, members are requested to support the adoption of the Empty Homes Strategy 2023 -2028.

4. CONSULTATION

4.1. Internal consultation only with relevant Council departments.

5. OPTIONS / ALTERNATIVES CONSIDERED

5.1. It is not a legal requirement for the Council to have an empty homes strategy, however, the strategy provides a framework setting out clearly what the objectives are in this area of work and how we will deliver them.

6. COMMENTS BY THE INTERIM GROUP HEAD OF FINANCE/SECTION 151 OFFICER

6.1. No comment.

7. RISK ASSESSMENT CONSIDERATIONS

7.1. New Homes Bonus - In early 2021, a consultation was published by central government on the future of the New Homes Bonus to seek views from the sector on a range of issues from how effective the current scheme had been, to potential changes in calculations of payments to focus the Bonus where homes are needed most. The consultation for the New Homes Bonus closed in April 2021 and Ministers are now considering the responses. As of late 2022 no further details or proposal have been published as part of the upcoming provisional Local Government Finance Settlement. In previous years (2014-2020) The Empty Property Officer bought in an income, from the

New Homes Bonus, of around £1 million pounds. The future of New Homes Bonus remains unclear.

- 7.2. Financial Assistance – If there is a significant take up of the grants and loans offered by the Council there is a risk that this money could be exhausted.
- 7.3. Enforcement Action – Decisions in respect of appeals to the First Tier (Property) Tribunal against the Council's enforcement action could be found in favour of the homeowner, restricting the course of action that could be taken to bring the property back into use. Recovery of debts via enforced sale procedures could be unsuccessful, leaving the Council with the unpaid debt and potentially an empty home not brought back into use.

8. COMMENTS OF THE GROUP HEAD OF LAW AND GOVERNANCE & MONITORING OFFICER

8.1. Section 87 of the Local Government Act 2003 imposes a statutory obligation on local authorities to adopt a Housing Strategy. Section 1 of the Homelessness Act 2002 imposes a statutory obligation on local authorities to adopt a Homelessness Strategy. The current Arun District Council Housing and Homelessness Strategy 2019-2021 (as extended) contains four main objectives:

- a) Increase housing supply
- b) Prevent and Relieve Homelessness
- c) Improve housing conditions across all tenures
- d) Create sustainable communities to meet the needs of all residents

8.2. The Empty Homes Strategy describes the Council's commitment to continuing to work with owners of empty properties to bring them back into residential use and will enable the Council to achieve the objectives within the Housing and Homelessness Strategy.

9. HUMAN RESOURCES IMPACT

- 9.1. Within the establishment budget there is funding for a full time Empty Homes Officer and part time Technical Support Assistance for Empty Homes, the report does not recommend changing this resource allocation.

10. HEALTH & SAFETY IMPACT

- 10.1. Identifying empty properties early and bringing them back into use has many positive impacts related to health and health and safety of the community, Arun District Council staff and any contractors that are involved. Tackling the issues as early as possible will reduce the extent of any dilapidation and any accumulations of waste and pests and the risks presented in dealing with them. Improved engagement should result in any health and safety concerns being more easily brought to the attention of those responsible. Improve

communications with neighbouring properties when they see the councils involvement on what the council is doing will improve their wellbeing.

- 10.2. During inspections of empty properties and when completing works in default where Arun District Council staff or contractors are engaged to work on premises we will plan, monitor and control their work for the safety of everyone who could be affected by their activities. This may include the risks presented by asbestos, legionella, noise, vibration, confined spaces and lone working.

11. PROPERTY & ESTATES IMPACT

- 11.1. Although the general fund property portfolio has relatively few residential units to which this strategy would apply, there has been a case in the past which required intervention by the Empty Homes Officer.
- 11.2. The Property, Estates, and Facilities service is in support of the recommendation for committee to adopt the Empty Homes Strategy 2023 – 2028.

12. EQUALITIES IMPACT ASSESSMENT (EIA) / SOCIAL VALUE

- 12.1. An Equality Impact Assessment has been completed and the strategy does not affect disproportionately one or more of the nine characteristics outlined in the Equality Act 2010.

13. CLIMATE CHANGE & ENVIRONMENTAL IMPACT/SOCIAL VALUE

- 13.1. Bringing empty properties back into use has a positive impact on the environment and local community.

14. CRIME AND DISORDER REDUCTION IMPACT

- 14.1. Empty properties can be a source of vandalism and anti-social behaviour, therefore bringing them back into use reduces potential crime and disorder within a neighbourhood.

15. HUMAN RIGHTS IMPACT

- 15.1. Enforcement action will be taken in accordance with the adopted enforcement policy for Environmental Health, Private Sector Housing, Licensing and Cleansing. This policy sets out the principles of enforcement ensuring proportionality, consistency, openness and helpfulness, transparency and targeting. This would therefore take account of and assess any potential human rights impact that the proposed enforcement action may have.

16.FREEDOM OF INFORMATION / DATA PROTECTION CONSIDERATIONS

16.1. None

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BACKGROUND DOCUMENTS:

Empty Homes Strategy 2023 -2028

Equalities Impact Assessment