

ARUN DISTRICT COUNCIL

REPORT TO AND DECISION OF HOUSING AND CUSTOMER SERVICE WORKING GROUP ON 07 FEBRUARY 2019

PART A : REPORT

SUBJECT: EMPTY HOMES STRATEGY 2018 – 2023 UPDATE

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DATE: 15 January 2019
EXTN: 37683
PORTFOLIO AREA: Technical Services

EXECUTIVE SUMMARY:

On the 4 January 2018 the Housing and Customer Services Working Group recommended to Cabinet that the Empty Homes Strategy 2018-2023 was adopted and this report provides an update on the work and achievements to date.

RECOMMENDATIONS:

Members note the content of this report.

1. BACKGROUND:

1.1 On the 04 January 2018 the Housing and Customer Services Working Group recommended to Cabinet that the Empty Homes Strategy 2018 – 2023 was adopted.

1.2 Empty homes represent a wasted resource and can have a negative impact on local communities. Long term empty properties 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 Councils Private Sector Housing and Public Health Team as well as the loss of council tax revenue.

1.3 As of April 2018 there were 416 Empty Homes in the Arun District based on Council Tax records. The figures for the number of properties brought back into use by the direct intervention of the Empty Homes Officer, are detailed in the following table

Year	Number of Properties Brought Back into Use
2013/2014	46
2014/2015	35
2015/2016	20
2016/2017	40
2017/2018	49
2018/2019 as at 31 st December	72

1.4 All these figures exceed the corporate target set annually and for information the target for 2018/19 is 25.

1.5 The New Homes Bonus is a grant paid by central government for increasing the number of homes and their use.

1.6 The New Homes Bonus until 2017 was paid each year for 6 years and based on the amount of extra council tax revenue raised for new build homes, conversions and long term empty homes brought back into use and equated to approximately £1500 per property each year.

1.7 In 2017/2018 changes to the way the New Homes Bonus was awarded saw a reduction in the amount of money earned by reducing the reward from 6 years to 4 years.

1.8 The work that the Empty Homes Officer carries out contributes to the amount of New Homes Bonus the Council receives and since 2014 this has equated to approximately £1 million.

1.9 The focus of empty homes work is on any property that has been empty for more than 6 months and initially a letter will be sent to the property owner advising them of the free service the Council offers in advice and the options that are available to them to bring the property back into use. This includes how they can:

- Reduce the costs of owning an empty property including council tax and deterioration in value.
- Reduce the risks of leaving their property unoccupied - vandalism, squatters, complaints from neighbours and the decline in its condition.
- Gain rental income or lump sum by letting or selling their property.

1.10 Options available to help empty property owners:

- List of individuals and companies interested in purchasing empty homes
- Advice and guidance on selling their home, probate, letting and renovations
- Availability of a grant or loan to assist in bringing the property back into use.

1.11 It is anticipated that this initial letter will encourage owners to contact the Council, however, if no response is received there are a 2nd and 3rd letter that is sent in a hope that they will engage with the Empty Homes Officer.

1.12 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 all different situations.

1.13 The Empty Homes strategy is based upon an approach of:

- 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 with renewal options.

1.14 The Housing and Customer Services Working Group on 03 July 2014 recommended to Cabinet that the Empty Property Assistance Program 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.

1.15 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.

1.16 In exchange for a grant or loan the property will be referred to the guaranteed rent scheme and the Council will have nomination rights for a 5 year period, also the property owner will be required to join the Arun and Chichester Landlord Accreditation Scheme and meet these standards.

1.17 The grants and loans are registered on the land registry and would be payable if sold or there is a change of tenure within 5 years, the table below shows the number of grants and loans provided over the past 4 years:

	Number of Grants	Number of Loans
2014/2015	0	0
2015/2016	3	0
2016/2017	0	1
2017/2018	0	0
2018/2019 to 31 st December	0	0
Total Value	£15,000	£10,000

1.18 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. Therefore funding from the Empty Property Assistance Program is also used to support the range of enforcement work that is involved with the success of bringing properties back into use. Any money that the Council spends is recharged back to the owner and non-payment can resort in being a trigger to initiate the Enforced Sale Procedure that Members approved on 24 November 2016.

1.19 Over the past year works in default have been carried out on approximately 15 properties which have utilised various pieces of legislation 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. All of these have either facilitated the property being sold or reoccupied.

1.20 Two cases had unpaid debts for works in default which have enabled the Council to begin proceedings for an enforced sale. The Council does not become the legal owner of the property but via legal action enforces the sale to ensure that the debt owed is repaid. This also ensures that by selling the property it will become reoccupied.

1.21 For the first time last year the Council used powers under the Housing Act 1985 and 2004 to serve demolition orders. Three have been served to date. These relate to cases where the cost of refurbishment is substantial and therefore the only economically viable option is to demolish the property and these decisions are not taken lightly.

1.22 In 2018 the Council received five appeals, via the First Tier (Property) Tribunal from property owners against notices that had been served on them. In all cases the Tribunal found in favour of the Council and upheld the notices, thus supporting the work and enforcement approach that is taken in regard to empty homes. However, it should also be noted that any appeal requires considerable time to defend and therefore impacts on the daily work of the Empty Homes Officer.

1.23 Another enforcement option available is one of compulsory purchase and this would be a last resort and means that the Council becomes the legal owner of the property before then selling 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.

2. PROPOSAL(S):

Members note the content of this report.

3. OPTIONS:

There are no alternative options to consider

4. CONSULTATION:

Has consultation been undertaken with:	YES	NO
Relevant Town/Parish Council		X
Relevant District Ward Councillors		X
Other groups/persons (please specify)		
5. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)	YES	NO
Financial		X
Legal		X
Human Rights/Equality Impact Assessment		X

Community Safety including Section 17 of Crime & Disorder Act		X
Sustainability		X
Asset Management/Property/Land		X
Technology		X
Other (please explain)		X
6. IMPLICATIONS:		
None – Update only.		

7. REASON FOR THE DECISION:

To inform Members of the work which is underway in bringing empty properties back into use and support the aims and objectives of the Councils Empty Homes Strategy 2018-2023.

8. BACKGROUND PAPERS:

Arun District Council's Empty Homes Strategy 2018-2023

<https://www.arun.gov.uk/download.cfm?doc=docm93jjm4n11950.pdf&ver=11950>

Case studies to be provided for Members at the meeting.