

Long term empty property strategy 2021-2024

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Executive Summary

Empty private properties in Herefordshire have a significant impact upon their local environment and the community. They are also a waste of valuable housing resources which could be used to provide much needed homes. The Empty Property Strategy for Herefordshire is effective from April 2021 and sets out how the council, with the support of our partners will reduce the number of empty properties in Herefordshire by April 2024.

The purpose of the strategy is to examine how existing properties can be used to accommodate households with a range of needs, in particular to reduce demand for social housing, but also to ensure that the existing offer is utilised to meet the needs of the community as a whole.

Strategy objectives

Through this strategy we are seeking deliver three main objectives:

Strategy Objective 1: To gather and maintain accurate information about the number of long term empty properties.

Strategic Objective 2: To support owners of empty properties to return them to functional homes by providing advice, information and in some instances grant assistance

Strategic Objective 3: To bring empty properties back into use to increase the supply of quality, affordable homes for residents in housing need.

Our preferred approach is to offer proactive advice and assistance, working with property owners in order to encourage them to bring their property back into use. The council have a modest grant scheme to assist owners to carry out works to properties to bring them up to a standard whereby they can be occupied again. Grant awards come with specific terms and conditions including giving the council nomination rights and management of properties for a set period. Where partnership working with property owners does not achieve the desired result, the council has the option to take enforcement action.

The priority is to target empty properties in Hereford City and the market towns where the housing need is the greatest. Rural properties that can meet a specific identified need or are causing a particular concern to the community will then be targeted.

Although the number of empty homes in Herefordshire is below the national figure as a percentage of overall housing stock, Herefordshire does however have a shortage of housing so it is important to ensure that existing stock is utilised. This strategy and action plan will be reviewed on an annual basis to incorporate changes in both local and national policy.

Introduction

Herefordshire is a rural county and covers some 840 square miles. The population stands at approximately 183,600 (Mid 2001 Census Office for National Statistics 2011) with most people living in and around either Hereford city or one of the 5 market towns. There are many developments creating new businesses and new housing and yet, housing need continues to exceed supply and many

people cannot afford to rent or buy a suitable home. There remains a need for more housing of all kinds.

Herefordshire Council has identified a need for 16,500 new homes across Herefordshire between 2011-2031, of which 6,500 are required within Hereford City 4,700 within the 5 market towns and 5,300 in rural settlements.

At the same time, a number of existing properties remain empty, the majority of which are privately owned. In January 2021 Herefordshire council tax records identified 284 empty properties, of which 261 have been empty for over 6 months. Of these 145 are in the rural areas of Herefordshire, 56 in Hereford City and the remaining 60 split between the market towns.

What is an empty property?

There are broadly two main types of empty residential properties; transactional empty properties and long-term empty properties.

Transactional empty properties

These are generally empty for up to six months, usually due to a change in tenant or ownership and are part of the normal cycle of people moving house; though they may be empty longer should they be subject to major renovation works. Although transactional empty properties are less of a priority to the council, they can still present a concern where their condition becomes a hazard or contributes towards a poor street scene.

In some instances, a property may be empty or appear empty, but is not classed as empty. A property does not have to be used all the time to be classed as occupied. For example, if it is:

- A second home;
- A property which is part of a wider regeneration programme and could be in the process of being developed or marked for demolition;
- A property which has pending planning permission, could be waiting refurbishment or could be waiting for new occupants to move in;
- A property where the owner is living elsewhere to provide or receive personal care.

Long term empty properties

Homes that have been recorded as empty for more than 6 months are classified as long term empty by Herefordshire Council. The Ministry for Housing, Communities and Local Government (MHCLG) classes problematic empty properties as those that are inactive in the housing market and have been empty for more than 6 months.

Why do properties become empty?

Properties that have been empty for more than 6 months usually have an underlying problem, most empty properties are privately owned. There are many reasons for properties being left empty, some are easily categorised and other circumstances are more complex with owners having their own individual reasons for keeping their property empty. Some of the most common barriers that exit for

owners of long term empty properties that are preventing them from returning their property back into use include:

- Issues with inheritance and/or delays with probate;
- Lack of finance to carry out necessary repairs and /or refurbishment;
- Perceived problems associated with letting of properties;
- Owner unwilling to bring the property back into use.

When properties have been empty for more than two years, research suggests that it is likely that they will stay empty and decline without intervention. Long term empty properties can become a hub for crime and attract vandalism and anti-social behaviour. They can also become run down, fall into disrepair, have overgrown gardens and blight the surrounding properties and neighbourhood. Neighbouring owners may be dissatisfied and may find their house value is diminished or may be difficult to let or sell. Bringing long term empty properties back into use is a priority for the council and will contribute to increasing the supply of homes in the county.

Why have an empty property strategy?

Herefordshire Council is committed to tackling empty properties by adopting a proactive approach in supporting owners to help return their property to use. Empty properties are a wasted housing resource, both for individual owners and the local community. Long term empty properties can fall into a state of disrepair and become hazardous as well as having a negative environmental impact. The council are adopting a co-ordinated and sustainable approach to tackling this issue in order to increase housing supply, improved standards and reduce the number of empty homes in Herefordshire

Policy context

The national context

Since 2010 the Government has placed considerable emphasis on the importance of returning empty homes to use. Statistics published by the Ministry of Housing, Communities and Local Government (MHCLG) put the number of empty homes in England in October 2019 at 648,114. This represents a 2.2% increase on the previous year's total. Of the 648,114, 225,845 were classed as long-term empty properties (empty for longer than six months)¹.

In 2018 'Empty Homes' a national campaigning charity published a report entitled 'Empty Homes in England'. This report identified an upward trend nationally for empty homes in 2018 after 10 years of a downward trend. It made several recommendations that have also been published in the House of Commons Briefing Paper no.3012 June 2018, Empty Housing:

- Local authorities should have an empty homes strategy for their area, with the aspiration to reduce the number of long-term empty homes.
- Local authorities and social housing providers should seek funding and allocate resources to buy and refurbish empty properties for people in housing need.

- Local authorities should take a casework approach with owners of long term empty properties to encourage, advise and support them to bring homes back into housing use. Employing dedicated empty homes staff can ensure that the council is able to act on information about homes and build up expertise in working with owners, including taking enforcement action where necessary.
- Local authorities with concentrations of long term empty properties should look at how they can support community-based neighbourhood regeneration approaches.
- Local authorities, particularly in high value areas should conduct studies to understand the extent and impact of 'buy to leave' empty or hardly ever used. Where it is an issue, they should review the measures they could adopt to incentivise people to sell or rent those properties, or not to buy properties in the first place with the intention of leaving them empty or hardly ever used.

Since April 2003, powers previously held by central government to vary the amount of council tax paid on some empty properties has been devolved to a local level. The aim of this strategy was to further incentivise the reoccupation of long term empty properties by increasing council tax payable or by removing reductions or exemptions that were previously in place. Local authorities are now able to decide whether to apply a discount for properties empty for up to six months and those properties empty and in need of considerable renovation. There is also the option of imposing an 'empty homes premium' whereby council tax levels are increased by a percentage depending on the length of time they have been empty.

New homes bonus

Launched in April 2011 the New Home Bonus grant is paid by central government to local councils for increasing the net level of housing. This bonus is currently for every additional home paid each year for four years. The bonus is based on the amount of extra Council Tax revenue raised for new builds, conversion and long term empty properties brought back into use.

The scheme is intended to act as an incentive for local authorities to have effective empty property strategies. Rewards are only paid for a net increase in housing, meaning that local authorities could miss out on rewards for new homes built if empty property levels are allowed to increase. For 2020/2021 Herefordshire Council's New Homes Bonus is £2,200,000. At a time when local government grant funding has significantly reduced, this provides an added incentive to bring properties back into use.

Local context

Herefordshire is a rural area covering over 800 square miles, with around 191,000 people living in the area it is a sparsely populated rural county.

In common with councils throughout England there is a demand for housing in the county. In April 2021 there were 1,093 active applications registered on Home-point for housing, in addition there were 40 duties accepted for homelessness. There is a pressure to increase the supply of housing and affordable homes in the county. The growth and demographics in population together with the median house prices adds pressure to the housing markets and brings challenges to meet housing needs.

Council Tax

The Empty Property Officer works closely with the Herefordshire Council's council tax department in order to identify empty properties in the county.

If a property is empty for more than two years, the owner of the property is subject to increased council tax. A 100 % premium is added after two years and a 200% premium is added after 5 years. This is done with the aim of encouraging owners to take action to bring their properties back into use.

Our approach to empty properties

Where properties have been identified, the council will try and locate the owner and will work with them cooperatively in an attempt to bring properties back into use, generally by offering advice and guidance. Where this is not successful, the council will move onto enforcement against the owner which will require the property be brought back into use.

The Council's approach to tackling empty properties can be summarised as follows:

- Identify empty properties and their respective owners to establish the reason why the property is empty.
- Provide advice and support to establish the most appropriate course of action to bring the property back into use.
- Where applicable process an Empty Property Grant application.
- Where a property has been empty for longer than 2 years an owner can apply for a VAT reduction letter which will enable them to claim reduced rate VAT of 5 % on building materials and labour.
- Monitor empty properties to ensure that they are brought back into use within the agreed timescale.
- Where other interventions have failed, enforcement action will be considered and taken to ensure the property is brought back into use.
- Utilise tracing agents where owners have moved away and cannot be found or where owners are deceased and beneficiaries to the estate cannot be found.
- Where applicable, we will work with third party organisations to assist owners in bringing empty properties back into use.

Enforcement

The Council undertakes an investigation process in order to trace owners of empty properties. However in certain circumstances it is not always possible to identify or make contact with owners, or owners are reluctant or unable to bring properties back into use.

In these circumstances, if there is an imminent risk to health and safety the council will consider a number of enforcement options. The options available include but are not limited to:

- Empty Dwelling Management Order (EDMO) – Enables the council to secure occupation and responsible management of some privately owned houses and flats that have been empty for two years or more.

- Compulsory Purchase Order (CPO) – Enables the council to purchase and sell an empty property for the purpose of providing housing accommodation or facilities connected to housing accommodation.

Enforced Sale – Allows the council to force the sale of a property to recover debts owed to the council that are registered as a charge on the property.

A summary of the various enforcement powers that are available to the council in respect of property aesthetics, maintenance and addressing long term empty concerns are described in Appendix 1.

Monitoring

Progress against this strategy will be reported quarterly to the Strategic Housing Manager. To ensure the objectives of the strategy are met, the objectives can be found in Appendix 2.

Appendix 1 – List of enforcement legislation

The principal legislation used to deal with derelict and vacant properties can be summarised as follows:

- Local Government (Miscellaneous Provisions) Act 1976 - Section 16
- Power to require information in respect of the ownership of a property
- Prevention of damage by Pests Act 1949- Section 4
- Power to require works to destroy pests
- Local Government (Miscellaneous provisions) Act 1976 – Section 29
- Power for premises to be secured against unauthorised entry
- Environmental Protection Act 1990 – Section 80
- Power to require abatement of statutory nuisances.
- Town and County Planning Act – Section 215
- Power to remedy land adversely affecting the amenity of a neighbourhood
- Law of Property Act 1925 – Section 103
- Power to force the sale of a property
- Local Government (Miscellaneous Provisions) Act 1976 – Section 15
- Power to enter the property to undertake a survey for Compulsory Purchase Order (CPO) purposes.
- Housing Act 1985 – Section 17
- Power to acquire land and houses by CPO
- Housing Act 2004 Part 4, Chapter 2
- Power to make Empty Dwelling Management Orders (EDMO)
- Planning and CPO Act 2004
- Compulsory purchase procedures
- Housing Act 2004 – section 133
- Power to serve an interim EDMO
- Housing Act 2004 – section 136 & Schedule 6 and 7
- Notice of intention to serve a final EDMO

Appendix 2 Monitoring Schedule

Objective 1:

To gather and maintain accurate information about the number of long term empty properties

Key Action Requirement	Timescale	Responsible Officer (s)
Update and maintain the property database (Civica) containing information provided by Council Tax and collected through investigations, reviews, complaints and surveys	June 2021	Empty Property Officer
To risk assess known empty properties and provide proactive enforcement	Ongoing from April 2021	Empty Property Officer Environmental Health T? S? Officer (s) Planning enforcement officer(s)

Objective 2:

To support owners of empty properties by providing advice, information and and in some instances grant assistance.

Key Action Requirement	Timescale	Responsible Officer (s)
To produce an empty property leaflet for owners of empty homes and members of the public	July 2021	Empty Property Officer
To develop specific web pages around empty properties detailing options for addressing empty properties	July 2021	Empty Property Officer
To promote annually the Strategy to the community to include Town and Parish Councils, to coincide with 'National Empty Homes Action Week'	February 2022	Empty Property Officer Strategic Housing Manager

Objective 3:

To bring empty properties back into use to increase the supply of quality, affordable homes for residents in housing need.

Key Action Requirement	Timescale	Responsible Officer (s)
Design and produce an empty property procedure with standard templates	April 2021- March 2022	Empty Property Officer
Review the current enforcement options for the enforced sale on empty properties	April 2021- March 2022	Empty Property Officer Internal Legal Officer
Review the potential for using tracing services to find empty property owners or owners of estates in the case of deceased owners	April 2021- March 2022	Empty Property Officer
Review the current enforcement options for Empty Dwelling Management Orders and Compulsory Purchase Orders	April 2021- March 2022	Empty Property Officer Internal Legal Officer
Explore and develop local agreements with housing associations with a view to them leasing/purchasing empty homes for use as social housing	April 2021- March 2022	Empty Property Officer Environmental Health Officer Internal Legal Officer
To Explore internal Housing Management function to enable Empty properties, along with council owned stock to be managed in house	April 2021- March 2022	Empty Property Officer Strategic Housing Manager Environmental Health Officer Internal Legal Officer