Empty Homes Strategy 2023 - 2027

April 2023



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1. Introduction

This strategy describes the council's intentions to continue to reduce the number of empty homes in the borough and bring them back into use. The strategy also supports and links to other council strategies and policies to such as the Housing, Homelessness and Rough Sleeping Policy Strategy and the emerging Local Plan, aimed at increasing the number of dwellings available for, and in, occupation.

New priorities may emerge, and new national policy landscapes may be introduced. Whilst we can anticipate that key themes will remain relevant during this period, the way we deliver them may need to change. For this reason, it is important that this strategy is reviewed regularly, so that it is kept up to date

Returning empty homes back into use not only helps to meet housing needs but can also reduce the problems associated with vacant properties. Empty homes can adversely affect the lives of people in the vicinity, can be a magnet for anti-social behaviour and an unnecessary drain on public services.

The council is committed to taking action to reduce the number of empty homes in the area by taking a proactive approach in supporting owners to help return their empty properties back into use or to redevelop them. A coordinated and sustainable approach can deliver an increase in housing supply, improve housing standards, and reduce the number of empty homes.

2. What is an empty property

For the purposes of this strategy the term 'empty property' is taken to be a dwelling which is unoccupied and without furniture/possessions.

There are two main types of empty residential properties: transactional empty properties and long-term empty properties. Homes that have been recorded as empty for more than 6 months are classified as long-term empty by Elmbridge Borough Council. The Department for Levelling Up, Housing and Communities (DLUHC) classes problematic empty properties as those that are inactive in the housing market and have been empty for more than 6 months. Transactional empty properties are generally empty up to six months, usually due to a change in tenant or ownership and are part of the normal cycle of people moving to a new house; though they may be empty longer should they be subject to major renovation works.

A property does not have to be used all the time to be classed as occupied. For example, if it is:

- a second home or a holiday 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.

3. Why do properties become empty?

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 exist 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
- lack of a decision as to whether to sell or rent the property
- sentimental attachment to the property
- the owners are not local and are uncontactable, therefore effectively
- abandoning the property,
- part of a larger portfolio of properties, where one empty property does not
- affect their overall income

4. Benefits of returning empty properties back into use in Elmbridge

Empty properties are a wasted resource both for the community and the owner. The list below highlights some of the positive outcomes when empty properties are brought back into use.

• Empty properties can contribute to the supply of housing and help reduce

homelessness

- Increases the range of housing types to meet the needs of residents
- Less unsightly properties which are often an eyesore that can blight an area
- Reduce the risk of antisocial behaviour such as fly-tipping rubbish and vandalism
- Reduce the likelihood that neighbouring properties decline in value as a result of being in proximity to a neglected property on the value surrounding properties
- Financial awards to the local authority through the operation of the New Homes Bonus scheme
- Potential to provide the owner with a financial benefit through deriving an income stream (e.g. through letting it out) and reducing their liabilities (e.g. in relation to council tax and utilities etc)
- Owners of empty homes that have been empty for 2 years or more can be charged an extra amount of Council Tax, a 'premium'. The amount that can be charged depends on the length of time the property has been empty after 2 years. The 'empty homes premium' can be up to 4 times the normal Council Tax bill if the property has been empty for 10 years or more.
- Environmental benefits making the best use of existing stock provides benefits in terms of carbon savings (both in terms of carbon costs associated with building new homes and the related infrastructure)

5. Policy Context

5.1 The National Policy Context

Since 2010 the Government has placed considerable emphasis on the importance of returning empty homes to use. Statistics published by the MHCLG put the number of empty homes in England in October 2022 at 676,452. Of these 248,633 were classed as long-term empty homes (empty for longer than six months).

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 <u>House of Commons Briefing</u> <u>Paper No. 3012 June 2018, Empty</u>

- 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 homes 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 homes has been devolved to local level. The aim of this policy was to further incentivise the reoccupation of long-term empty homes 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.

5.2 Local Policy Context

There were 2,232 households currently on the Housing Register (as at end of November 22) and over 90 homeless households in temporary accommodation arranged under our homeless responsibilities. The use of empty homes that have been bought back into use can contribute to the demand for more homes of all types and help meet the community's diverse needs. This strategy also contributes to the Priority 1 of the Housing, Homelessness and Rough Sleeping Strategy 2020-2024 which is concerned with supporting the most effective use of the housing stock in the borough and bringing long-term empty properties back into use.

This strategy contributes to the Council's emerging Local Plan which recognises the increasing pressure housing needs in Elmbridge. The implementation of this strategy will support the council's intention to limit the pressure of new housing development on greenfield sites by encouraging owners to bring their empty

properties back into use.

Council Tax data recorded 526 long-term empty homes as at the first week of October 2022 (that is empty for six months or more). The chart in figure one below, provides a breakdown of empty homes by council tax bands. These figures represent a snapshot at a particular time and the position is dynamic, with the number of empty and long-term empty homes changing from week to week. Furthermore, whilst council tax records are the primary source of data on empty homes, there will be properties which are long-term empty which are not identified through that route and our efforts should be focussed on all homes which are longterm empty, regardless of their council tax status.

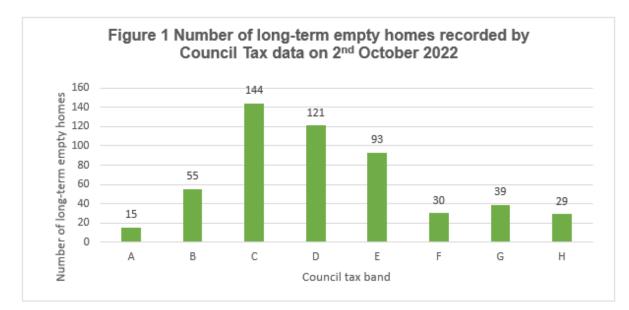


Figure 1 below shows a breakdown of the number of empty homes by council tax bands.

The table below provides a comparison of the number and proportion of long-term empty homes across Surrey, as at October 2022(as published in <u>Table 615: vacant</u> dwellings by district, England (from 2004))

Table 1 Number and prop	portion of long-term empty	homes – October 2022
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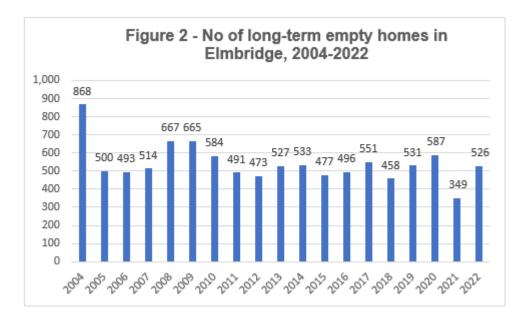
Administrative area	No of long-term empty homes	Total homes in district	% of homes recorded as long- term empty
Elmbridge	526	59298	0.9%
Epsom and Ewell	224	32803	0.7%

Administrative area	No of long-term empty homes	Total homes in district	% of homes recorded as long- term empty
Guildford	708	61033	1.2%
Mole Valley	390	39214	1.0%
Reigate and Banstead	574	63682	0.9%
Runnymede	541	38318	1.4%
Spelthorne	247	44051	0.6%
Surrey Heath	378	38310	1.0%
Tandridge	124	37604	0.3%
Waverley	698	55391	1.3%
Woking	337	44138	0.8%
Surrey	4747	5138423	0.9%
South East	31869	4079253	0.8%
England	248633	25225481	1.0%

Source: CTB1 returns to DLUHC (October 2022)

Table 1 shows that, as a proportion, the number of long-term empty homes in Elmbridge as at October 2022, was 0.9% of the stock, meaning that just more than 1 in every 100 homes in the borough was recorded as empty for six months or more. This is the same rate as Surrey as a whole, and slightly below the national proportion of 1%. There is some variation within Surrey, with Tandridge having the lowest recorded proportion as at 0.3% and Runnymede, the highest at 1.4%.

Figure 2 below shows the change in the number of long-term empty homes reported annually in Elmbridge since 2004. There have been some changes in particular years to the methods of recording used (for example in 2021) but overall the figures show, despite changes in market conditions, that the numbers are broadly similar, year to year, over the last 18 years.



Source: Table 615, Vacant dwellings by local authority district (www.gov.uk)

6. Our approach to dealing with empty properties

6.1 Best practice

Elmbridge Council continually reviews our best practice methods used to reduce the number of empty homes in the borough. Our includes an examination of best practice used by other local authorities with similar housing markets, to reduce their number of empty properties. We have included best practice methods to help achieve our strategic aims including:

- a combined empty home loan and grant, see section 6.4.1. below.
- the introduction of an empty home cash incentive scheme, see section 6.5 below.
- council use of a decision-making matrix to prioritise actions on empty properties and allow the effective use of council resources, see section table 3 below.

6.2 Responding to queries and raising empty property awareness

We will work to prevent properties becoming empty over the long term by responding to enquiries about empty properties from the public, undertaking media campaigns in the local press, participating in local landlord events and forums, and through promotion of its work on the council website.

6.3 Prioritising empty properties to get the best possible outcomes

To effectively manage resources, the council will prioritise which empty homes are to be targeted and the timescale for doing so. A balanced approach will therefore be adopted where some resources are directed towards those homes which can be brought back into use relatively easily, as opposed to those which require more intensive involvement, such as detailed negotiations and/or enforcement action

The council will take actions to locate owners and starting with an informal approach will work with them cooperatively to bring properties back into use. This will take the form of offering advice and guidance initially. Where this is not successful the council will consider using appropriate enforcement powers against the owner to require the property be brought back into use, see section 7, table two. The council will also target all long-term empty homes over two years for action, using a scoring matrix, see table three below. Factors that will inform our prioritisation will include such as length of time property has been empty, nuisance caused by empty home, the condition of the building and land.

6.4 Enforcement actions available to help bring empty properties back into use

The Council follows an investigation process to trace owners of empty properties with a view to encouraging them to bring their properties back into us. Measures will be taken to gain an understanding of why individual properties are empty long-term and tracking of what actions are being taken to alter this status. However, in some circumstances it is not always possible to identify or contact owners, or owners are reluctant or unable to bring properties back into use.

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

- Empty Dwelling Management Order (EDMO) enables the local authority to take over the management of eligible empty properties, to bring them back into use where a property has been empty for over 2 years and causing nuisance in the community
- 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.
- Empty Dwelling Management Orders (EDMO) Enables the council to secure occupation and responsible management of some privately-owned house and flats that have been empty for two years or more.
- Compulsory Purchase Orders (CPO) Enables the council to purchase and

sell an empty property for the purpose of providing housing accommodation or facilities connected to housing accommodation.

A summary of the various enforcement powers that are available to the council in respect of property conditions, maintenance and addressing long term empty concerns are described in Table 3.

Historically, the council has seldom used formal enforcement powers to take action to bring long-term empty homes back into use and has relied on a mix of information, advice and guidance, persuasion through positive engagement and financial assistance. The council will look to take enforcement action where it is considered appropriate and in the public interest.

Officers will use the scoring matrix set out in Table 4 to help prioritise which properties should be considered for enforcement.

6.5 Financial assistance

The Council provides discretionary grants and loans which are subject to availability and conditions, to cover the reasonable costs of the works necessary to bring the property back into use. Empty property grants and loans are discretionary and are subject to the availability of funding.

The conditions are:

- The property must have been empty for at least 12 months at the time of grant approval.
- The property must be let for to a tenant introduced by Elmbridge Borough Council or by another agency nominated by us, for a minimum of 2 years at an affordable rent (i.e. no higher than the relevant Local Housing Allowance rate applying to that property)
- The maximum amount of grant available and is repayable if the property is sold within 5 years of grant

When the property is ready to be rented, either the owner, a property agent representing the owner or a housing association can manage the property. The terms and conditions attached to grants are governed by the council's <u>Financial</u> <u>Assistance policy</u>. All grants and loans are awarded on a discretionary basis and are subject to availability and policy review.

Empty property loans of up to £30,000 are offered to owners of empty properties by Parity Trust, a not-for-profit organisation working in partnership with the Council. Empty property loans are secured and supported by the council, guaranteeing a low

interest rate, which is fixed for the full term of the loan. Applications for empty property loans should be made directly to The Parity Trust on 023 9237 5921, by email <u>info@paritytrust.org.uk</u> or by applying online at <u>www.paritytrust.org.uk</u>

A grant or loan is expected to remedy serious disrepair and remove category one hazards in the property before letting. The various types of works covered include,

- disrepair or structural issues
- damp and mould growth
- electrical rewiring
- thermal upgrading such as windows
- boiler work and insulation
- improvements to kitchens or bathrooms

6.5.1 Combined empty home loan and grant

Where a successful Empty Property Loan has been made of a minimum amount of £1,000, an empty property grant up to £7,000 may also be offered as a top up assistance. This combined loan and grant offering has been developed as a response, to the increase in costs of building materials and associated building costs needed to bring am empty property back into use. The combined loan and grant offering aims to increase eligible applicants access to financial assistance, offered by the Council, and limit the financial burden of repaying the full costs required to bring their property back into use. The property must be let for at least 24 months to a tenant introduced by the council or by another agency nominated by us.

6.6 Empty homes – cash incentive

The council has introduced a cash incentive scheme for owners and landlords of empty properties in the borough. The aim is to help provide housing to residents in the most need, people facing homelessness and those on the housing register in the borough.

The council will offer an upfront cash payment up to £4,000 to encourage long-term private rented accommodation (excluding one-beds) for residents in Elmbridge. In return for a 12-month assured shorthold tenancy (AST) at the local housing allowance (LHA) rates and a nomination to the property.

A further cash payment of £1,000 will would be granted if the landlord maintains the tenancy for a further 12 months at local housing allowance rate.

Property condition requirements

- 1. properties must have to been empty for 12 months before applying for a cash incentive.
- 2. have an energy performance certificate scored at E or above.
- 3. have hard-wired smoke alarms and heat detector
- 4. have a carbon monoxide detector
- 5. have a gas safety certificate, if appropriate
- 6. no serious disrepair in property
- 7. have a satisfactory electrical installation condition report
- 8. have permission to let the property
- 9. have building insurance

Please note, an advanced payment of the cash incentive may be paid to allow works to be funded and the required certification to be obtained.

6.7 Local Authority Housing Fund

In December 2022, the Department for Levelling Up, Housing and Communities (DLUHC) launched the £500m Local Authority Housing Fund (LAHF). The objective is to deliver up to 4000 affordable homes across the country. Initially the homes will be let to Ukrainian and Afghan evacuees, who have been welcomed to the UK via one of several government designed programmes. In the short term these homes will help meet the housing needs of these households (and help reduce homeless pressures and the costs of using hotels). In the longer-term the properties will help wider housing and homelessness pressures.

We have been allocated £4.5m from DLUHC under LAHF, with a target of using this funding (along with locally derived funding) to deliver at least 20 homes in the borough. In the likely event that the council signs up to participate, we will be looking at purchasing of existing homes to meet the target. As part of this we will contact the owners of particular empty homes to promote the opportunity to sell the home and facilitate its return to use.

7. Strategic aims, objectives and key actions

The aims of this strategy are to:

- aim to achieve a 20% reduction of long-term empty homes by the end date (March 2027), of this strategy.
- to maintain accurate information about the number of long-term empty properties
- reduce the number of long-term empty homes in Elmbridge

- to offer wider a housing choice to residents and help meet housing need within the council,
- to provide advice and information to help raise awareness and address issues around empty homes

In order to achieve our aims this strategy focusses on three objectives;

Objective one - To maintain accurate information about the number of long-term empty properties

 Access to accurate information on empty properties is an essential part of effective prevention. The Council will use primary data such as Council Tax information, Councillor and Officer knowledge and local intelligence to build up a register of empty properties and their condition.

Objective two - Bring empty properties back into use to increase the supply of quality, affordable homes for residents in housing need.

- The implementation of the Empty Homes Strategy will be applied in conjunction with initiatives designed to encourage owners to make use of the properties. In particular financial assistance to bring properties back into use, more information can be found in the Council's <u>Financial</u> <u>Assistance policy</u> through which the Council may award financial assistance to owners to return an empty property to residential use.
- The Council also offers practical advice to empty home owners wishing to rent their property through our <u>Rental Support Scheme</u>. This Scheme helps landlords and prospective landlords to rent their properties to prospective tenants who are seeking good quality, affordable, private rented accommodation.
- The Council will consider using legal action where appropriate to bring about the return of empty homes to occupation with.

Objective three - Provide advice and information to help raise awareness and address issues around empty properties

• One of the most significant measures in ensuring properties do not remain empty is the engagement with empty property owners and providing beneficial advice and assistance Table 2 below shows the key actions that will be taken to implement the objectives of this strategy.

Objective one: To maintain accurate information about the number of longterm empty properties

Actions	Timescale	Responsible officer/team
Continue to maintain the empty property database containing information provided by Council Tax and collected through investigations, reviews, complaints, and surveys to identify long term empty dwellings.	Review quarterly or as required	Private Sector Housing (PSH) Officers
Continue to carry out reviews of empty properties using Council tax data and information from questionnaires sent to all owners of known empty properties about the occupancy status of their properties.	Annually	PSH Officers
Map location of reported empty homes	ТВС	PSH officers/ GIS team
Carry out risk assessments on known empty properties and identify for proactive enforcement	On a case- by-case basis	PSH Officers

Objective two: Bringing empty properties back into use to increase the supply of quality, affordable homes for residents in housing need

Actions	Timescale	Responsible officer/team
Review Private sector Housing Policy and Financial Assistance Policy.	Annually	PSH Manager
Continue to review the use of enforcement options for empty homes on a case-by-case	Ongoing	PSH and

Actions	Timescale	Responsible officer/team
basis.		Communications team
Continue to promote financial assistance - Empty property grant and empty property loan Promote	Ongoing	PSH
Promote empty property cash incentive	From May 2023	PSH Rental support team & Communications team
Prioritise and rate all long-term empty homes for action using a priority scoring matrix (Table three), on a "worst first" basis.	Ongoing	PSH
Identify properties which may be eligible for purchase by the council	Ongoing	PSH & Asset management

Objective three: Provide advice and information to help raise awareness and address empty homes

Actions	Timescale	Responsible officer/team
Review and update information on the council's website and provide relevant updates via the council's media channels.	As required	PSH Manager & Communications team
Circulate leaflets targeting letting agents and landlords and empty property owners.	Ongoing	PSH & Communications team
Continue to review council's online empty property reporting mechanism to allow the PSH Team to	Annually	PSH

Actions	Timescale	Responsible officer/team
review for actioning.		
Produce an empty property guide for owners of empty homes and members of the public	March 2023 and review annually	PSH Communications team
Use existing online Landlord bulletin to engage owners to work with the Council and where possible support owners in bringing empty properties back into use	Ongoing	PSH Manager & Communications team
Run at least one awareness raising campaign to coincide, where possible, with National Empty Homes week	Annually	PSH Manager
Continue to advise owners of empty dwellings of the Rental support scheme	Ongoing	PSH & Rental support team

7.1 How we will measure success

The council recognises that it has a limited influence on factors such as housing market forces, which may affect the number of homes becoming empty in the borough. It is expected that there will be fluctuations in the number of homes that become empty during the lifespan of this strategy, 2023 -2027. The council will therefore aim to achieve a 20% reduction of long-term empty homes by the end date (March 2027), of this strategy. The Council Tax data recorded in October 2022 of 526 long-term empty homes, will be used as a starting point and council officers will work towards reducing this number.

We will also set up measures to record the number of long-term empty homes brought back into use, directly or indirectly through the council's actions, to report the number of cases where enforcement action is commenced and to report on a quarterly basis the number of long-term empty homes in the borough. An annual progress report will be produced and published on our website. The success of this strategy also depends on effective working within the teams and engagement with owners of empty homes or those responsible for the empty homes.

Table 3 – Enforcement Powers

Problem/Concern	Legislation	Statutory Powers
Properties empty for over 2 years and causing nuisance in the community	Primary empty property legislation - Housing Act 2004 (s133 – 183)	To apply for an Empty Dwelling Management Order (EDMO) to enable the local authority to take over the management of eligible empty properties, to bring them back into use
Long-term empty properties where no traceable owners, or where all efforts to return the property to use have been exhausted	Primary empty property legislation - Housing Act 1985 (s17)	To seek to acquire a property under a Compulsory Purchase Order (CPO)
	Building Act 1984 (s77 & s78)	To require the owner to make the property safe (section 77) or enable the Local Authority to take emergency action to make the building safe (Section 78
	Building Act 1984 (s79)	To require the owner to repair ruinous or dilapidated buildings seriously detrimental to an area.

Problem/Concern	Legislation	Statutory Powers
Unsecured properties (where is poses the risk that it may be entered or suffer vandalism, arson or similar)	Building Act 1984, s78 Local government (Miscellaneous Provisions) Act 1982, s29	To allow Local Authority to fence off the property. To require the owner to take steps to secure a property or allow the Local Authority to board it up in an emergency.
Blocked or defective drainage or private sewers	Building Act 1984 (s59) Local Government (Miscellaneous provisions) Act 1976 (s35)	To require the owner to address blocked or defective drainage. To require the owner to address obstructed private sewers.
	Public health Act 1961 (s17)	To require the owner to address defective drainage or private sewers.

Problem/Concern	Legislation	Statutory Powers
Vermin (where it is either present or there is a risk of attracting vermin that may detrimentally affect people's health)	Environmental Protection Act 1990 (s80) Building Act 1984 (s76) Public Health Act 1961 (s34) Prevention of Damage by Pests Act 1949(s4) Public Health Act 1936 (s83) Public Health Act 1961 (s34) as above	To require the owner to remove waste so that vermin is not attracted to the site, destroy any infestation and remove any accumulations prejudicial to health. To require the owner to remove waste from the property (see above)
Unsightly land and property affecting the amenity of an area	Town and Country Planning Act 1990 (s215) Building Act 1984 (s79)	To require the owner to address unsightly land or the external appearance of a property To require the owner to address unsightly land or the external appearance of a property
Recovery of debts against a property	Law of Property Act 1925 (s101 & s103)	To apply for an order of sale of the property to recover council tax debts or debts secured as a legal charge after work in default carried out

Table four – Empty home enforcement action priority scoring matrix

(Maximum score 15)

Length of time property has been empty

Answer	Score
Less than 1 year	0
1 -3 years	1
5+ years	2

2. Is the property in disrepair?

Answer	Score
No	0
Slight	1
Serious	2
Severe	3

3. Is the owner of the property cooperating with Council's objectives, considering the circumstances of the individual case?

Answer	Score
Yes	0
No	4

4. Is there evidence of fly-tipping?

Answer	Score
No	0
Small amount	1
Large amount	2
Statutory nuisance	3

5. Evidence of nuisance being caused to adjacent property (including antisocial behaviour)?

Answer	Score
No nuisance	0
Nuisance or anti-social behaviour	1
Nuisance and anti-social behaviour	2

6. Are any of the openings boarded up?

Answer	Score
None	0
Up to 25% of openings	1
Up to 75% of openings	2
Over 75% of openings	3