

EMPTY PROPERTY STRATEGY

PRIVATE SECTOR HOUSING



Empty Property Strategy (Private Sector Housing)

INTRODUCTION

Empty properties have always been a source of complaint to the Council. Complaints are usually about overgrown gardens, rubbish accumulations, rats, squatters and the adverse effect on neighbouring properties. Whilst properties remain empty they are not contributing to the housing stock. Such properties can make a valuable addition to the owner occupied and private rented sector thus reducing pressure on the Council's waiting list.

This review of the strategy reflects the changes that have taken place in the local market, introduces the new Best Value performance indicator with target and makes reference to likely changes in legislation.

In 1993 at the time our Empty Property Strategy was introduced, Government targets set a limit of 5% of the total stock that should be vacant. With 2380 privately owned empty homes we had exceeded 4% of our stock and the situation was forecasted to deteriorate.

However, the continuing buoyant housing market coupled with the effective implementation of the empty property strategy has reduced the current level of relevant voids to less than 0.19% of the housing stock (112 properties) in April, 2003. This figure is well below the Government's latest target of 3% as the maximum level of properties that should be empty in the year 2005.

Whilst the local situation when viewed against the national target is good, the amended Best Value Performance Indicator 64 and target which was introduced in June 2002 highlight's the performance of the Council in this area. From April 2003 the Council has been required to report:

"The number of private sector vacant dwellings that are returned into occupation or demolished during 2002/03 as a direct result of action by the Local Authority."

Direct action by the Local Authority is defined as:

- grants, loans or other financial assistance either provided or facilitated by the Authority
- advice given to owner which is followed and results in the empty dwelling being returned to use – for example, provision of advice on :
 - the authority's empty homes strategy ;
 - options on sale and letting issues ;
 - grants, other financial assistance and availability of tax concessions ;

- landlord forum or accreditation scheme ;
- repairs, including details on building contractors meeting minimum standards ;
- voluntary or compulsory purchase arrangements ;
- referral to RSL or other intermediary with relevant expertise ;
- enforcement action made to establish ownership of property and follow up action.
- enquiries made to establish ownership of property and follow-up action.

This indicator differs greatly than its predecessor in the fact that there is no minimum period for a property to be vacant and that the target is a numerical figure rather than a percentage.

This Division has set a target a figure of 10 which compares well with neighbouring authorities.

AIMS OF THE STRATEGY

The aims of the strategy are shown below. These were agreed by the Housing and Economic Development Committee on 6th March 2000.



- To monitor all properties that remain empty for more than six months.
- To maintain the number of empty properties below the Government target for acceptable levels of empty properties.
- To achieve the published target of properties returned to the active housing stock in line with the Best Value Performance Indicators.
- To take action on all long term empty properties to facilitate their return to the active housing stock.
- To provide information and advice to owners of empty properties on the options available to them to return their property to the active housing market.
- To encourage by way of financial assistance to facilitate the return of long term empty properties to the active housing market.
- To intervene by way of legal action under the Housing Act 1985 properties which are in disrepair or unfit for human habitation.
- To intervene by the use of legal powers to prevent empty properties remaining a nuisance to neighbours.

- To review the use of compulsory purchase orders to purchase long term empty properties and their subsequent disposal when pending legislative changes take place.
- To monitor the number of empty properties owned by Government Departments and under the control of Executive Agencies within the District.

Any legal action initiated by the Environmental Services Division will only take place following consultation of the Division's enforcement policy.

THE PROPERTIES INVOLVED

Properties of all types contribute to this vacant stock and no individual category can be identified as being particularly susceptible to being left empty for an extended period. Properties are just as likely to be detached rural properties as town centre flats. No individual area can be identified as containing a high proportion of vacant stock. Similar ratios of empty properties can be found in the major towns as rural villages. This does not reflect the national scene and demonstrates the current desirability of living in the Wycombe District.

Empty properties are classified into two groups:

a). **Transient Voids:** properties that are for sale, subject to probate, owned by the elderly in residential care, or under refurbishment. These are usually empty for one year or less when the housing market is active and return to the housing stock without intervention. These properties are monitored and reviewed by Council Tax collection staff.

b). **Problematic Voids:** homes where the owner has died and heirs cannot be found or are in dispute, planning disputes and sites for redevelopment, owned by the elderly who have no wish to sell, properties with structural defects, or properties owned by corporate or government bodies. These are usually empty for longer periods and require further action by the Empty Property Officer.

Reasons for the property being empty include:

- Sale of property
- Planning disputes (often unreasonable requests by owners)
- Owner in 'Care'
- Extended probate
- Lack of finance to renovate
- Speculation on property values or redevelopment sites.
- Low market demand or undesirable locations
- Elderly owner unwilling to sell.
- Dereliction and abandonment



IDENTIFYING EMPTY PROPERTIES

To ensure a proactive approach to the problem information is sought from the Council Tax Register. This identifies properties that have exemptions for Council Tax liability either because the property is empty, being repossessed or under structural repair. Empty properties are also identified by referrals from Members, Council Officers and the general public.

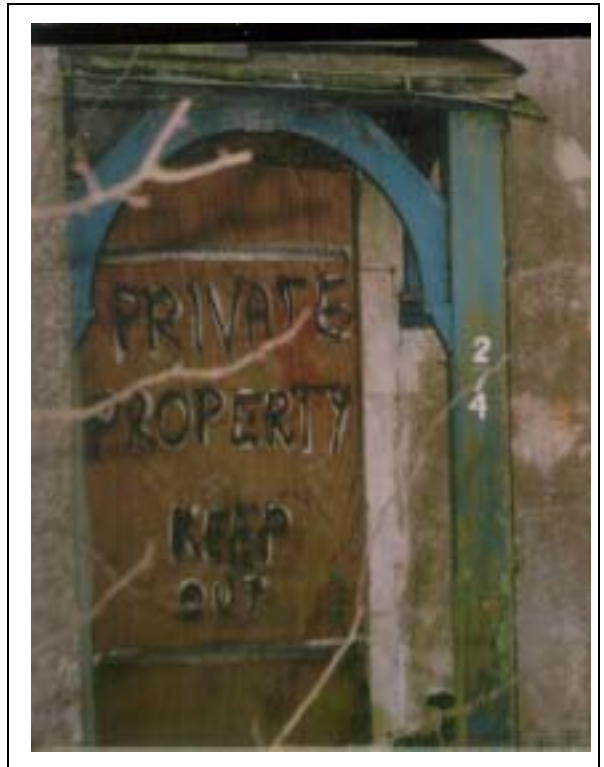
Properties that are empty but where the Council Tax is being paid are not identified by this method. Second homes fall into this category and currently these are exempt from action, as are some agricultural properties.

April 2000 saw the first comprehensive notification of empty properties from Government agencies within our area. These were monitored in the same way as the remaining privately held stock.

FINDING THE OWNERS

One of the major problem officer's faces when dealing with vacant dwellings is establishing the ownership of the property. In some cases, families have remained in the local area and contact is relatively straightforward. Other sources of information available to officers when seeking ownership of a property are: -

- The Electoral Register
- Land Registry – In addition to telephone service available ,the Division has a PC set up to Land Registry Direct
- Council Tax Register .Ownership details are not currently able to be disclosed due to the Data Protection Act , although this is now under review by the ODPM .
- Neighbours, Parish Council, Statutory Undertakers (Utility Companies)
- Requisitions for Information under the [Local Government (Miscellaneous Provisions) Act 1976 Section 16]. This legislation enables officers to request ownership details from any party likely to have a known interest in a property. This power is particularly important in respect of repossessed properties where information regarding ownership is scarce and that held by estate agents and building societies are often confidential. A notice served under these provisions requires all parties to declare the required details.



OPTIONS FOR ACTION

Environmental Protection Act 1990

Abatement Notices can be served under section 80 of the Environmental Protection Act 1990 in respect of statutory nuisances caused by a property's structure or its associated land. Notices must be served on the owner of the property and can require certain works to be undertaken within a specified timescale. Failure to comply with the requirement of the notices, if a formal appeal has not been made within 21 days, will allow the Council to pursue the matter in a Magistrates Court and/or carry out works in default to abate the nuisance.

Prevention of Damage by Pests Act 1949

Section 4 of the Act enables the Council to serve notices on the owner or occupier of land to ensure the premises are free from rodents. As well as specifying pest control treatments, the notice can require structural repairs and other works to be carried out to secure the premises against rodent infestation.

If a notice served under this section is not complied with, the Council may carry out the work in default and recover any expenses by placing a charge on the property.

Building Act 1984

Several sections of the Building Act 1984 can be used to secure premises against unauthorised entry and are appropriate for use in the case of empty properties.

Section 76 is a shorter procedure for premises which are in such a state as to be prejudicial to health or a nuisance and where the use of notices under section 80 of the

Environmental Protection Act 1990 would cause undue delay. Notices served under this section of the Building Act state that the Council intend to carry out specified work to remedy the situation. Only seven days are provided for the owner to make an appeal and within nine days of serving the notice, the Council can commence work in default and recover reasonable costs from the owner.

If the vacant premises involved are in such condition as to be considered dangerous, notices can be served under section 77 or 78 of the Building Act 1984. Section 78 is only used in emergency situations, although it is recommended that the Council seek to notify the owner of their intended action prior to undertaking the emergency measures. Notices served under section 77 requires the owner of the property to carry out any work necessary to obviate the danger or to demolish the structure if this is a preferred action. Again any expense incurred by the Council can be recovered from the owner of the premises via the Magistrates Court.

In most extreme cases of ruinous and dilapidated buildings, notices can be served under section 79 of the Building Act 1984. However, it must be stressed that conditions must be seriously detrimental to the amenities of the neighbourhood and these provisions would normally only be used if other courses of action were considered unsuitable or had not proved effective.

Local Government (Miscellaneous Provisions) Act 1982

Section 29 of the Local Governemnt (Miscellaneous Provisions) Act 1982 enables the Council to undertake works on an unoccupied property to secure it against unauthorised entry. Normally a period of 48 hours notice of the Council's intention to carry out works would be given to the owner or if the owner is absent or the works are needed urgently, the notice period can be waived. Reasonable costs incurred by the Council may be recovered from the owner of the property via the Magistrates Court.

Renovation Grant Scheme

The Council has an established policy for providing renovation grants for properties in the private sector. This was reviewed in 2002 with the advent of The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 which repealed much of the existing legislation governing the provision of grants to home owners and replaces it with a new wide-ranging power to provide suitable assistance for housing renewal. Under normal circumstances these grants have been provided to home owners and landlords to upgrade properties that are already in residential use. Renovation grants, however, can be approved in respect of properties that are empty provided that the usual certificates relevant to its intended occupation are provided.

Usually, a grant applicant must have owned and lived in a property for 3 years prior to making application for a grant. For empty properties, this has been varied but the owner has to demonstrate that the property has been empty for more than 2 years. The new policy extends the 'claw back' period for such grants once completed, should there be a breach of conditions .

Eligibility for grant assistance depends on the property involved being unfit for human habitation. If this is the case the grant applicant will need to undergo a test of resources in order to assess how much could be raised via a private loan. The level of grant will then meet the difference between this notional loan and the eligible cost of the works.

In cases where the property is not unfit, but in a poor state of repair and is to be let, grants may also be available to put the dwelling into a reasonable state of repair. Grants may also allow for the conversion of larger empty properties into flats in multiple

occupation. This has proved effective in providing additional units of accommodation which contribute towards the target ;

' When one property is converted into several dwellings , you count the number of dwellings reoccupied. ' Audit Commission Newsletter No 22

Further help brought in the new Private Housing Sector Renewal includes ; DIY training, assistance to cover costs of application for full planning permission for works to the dwelling to bring it back to use and grant aid to cover legal costs of sale to a Registered Social Landlord

Compulsory Purchase Orders (CPO's)

Compulsory purchase is a complex procedure and should be considered as an option only if alternative options fail.

Section 17 of the Housing Act 1985 provides that a Local Authority may acquire properties for housing purposes. Consent for each purchase must be gained from the Secretary of State who may impose conditions on the purchase. An application for a CPO can become protracted and is subject to appeal by the owner.

A further consideration must be the financing of the CPO. Properties would need to be purchased at full market value, and certain costs incurred by the vendor in negotiation and sale are also payable by the acquiring authority. In view of this the capital costs associated with this option may be considerable.

It would be the aim of the Council to sell on any properties purchased in this way to home owners or landlords to make the necessary repairs. It should be noted that previous experience indicates that the potential for the Council to make a compulsory purchase order has been effective in encouraging owners to take action in respect of empty properties.

Advice and Assistance

The options available to owners are continually monitored . Owners of known long-term empty properties are targeted with information from the Empty Homes Strategy, local information including schemes run in liaison with Housing Associations, advice on Loans and new central Gvt initiatives e.g. the reduction in the rate of VAT to 5% on the cost of refurbishment to long term empty properties. Booklets are made available on the current criteria for Renovation, Houses in Multiple Occupation, Home Repair and Disabled Facilities Grants.

Within the Council there is a close liaison between the Environmental Services Division and the Housing Divisions Development Sales Officer, who can assist through the introduction of a Registered Social Landlord. Membership of the Herts , Beds and Bucks Empty Homes Forum has enabled better understanding and information/idea sharing by neighbouring Empty Property Officers .

Within Wycombe District the local situation is monitored and if the number of empty properties begins to rise considerably then publicity campaigns will be considered. Currently, the under reporting of empty properties is not considered to be significant.

Environmental Services staff always offer to meet the owners to explain all of the options available to them as well as arranging meetings with Officers of other departments and outside agencies. This personal service has proved to be successful in returning some of the most difficult long-term empty properties to the housing stock.

Priorities for Action

Priority for intervention by way of Local Authority funded initiatives will be given to properties that can be economically repaired (Renovation Grants and partnership arrangements with Social Landlords) and of a construction type that can meet thermal requirements (Home Energy Conservation Act). Owners of properties that are beyond economic repair or of non-conventional construction types will be encouraged to submit redevelopment proposals or enter into partnership arrangement with a Registered Social Landlord to redevelop.

The unique circumstances surrounding each vacant property make it necessary to make an individual assessment. The first priority, regardless of the length of time it has remained vacant, will be to secure the dwelling against unauthorised entry and to remove any putrescible refuse that has accumulated in either the house or its gardens

It has already been identified that many vacant properties only remain vacant for a relatively short period of time such as during property sales or while awaiting improvement. Due to the likely number of empty properties falling into this category, action will only be taken at this early stage to secure the property against unauthorized entry whether this is through negotiation with the owner or as a result of work in default

CONCLUSION

April 2003 showed a continuing low level of private sector void properties within the District since the introduction of the Empty Property Strategy in 1993.

The amended Best Value Performance Indicator emphasizes the central Gvt commitment towards empty property work, giving a clear message that voids need to be addressed.

The new rate of Vat in the 2002 Budget of 0% for renovating dwellings empty for 10 years and 5 % for those between 3 - 10 years, provides a great financial incentive for owners to refurbish properties. It looks unlikely that there will be further reductions in VAT as the EU intends to dispense with zero rates.

Further commitment from central Gvt , is the recognition of the difficulties in sharing Council Tax information which is to be addressed in the forthcoming Local Government bill. This will enable the Authority to use personal and non-personal data to support and advance the Empty Property Strategy.

The strategy remains flexible to incorporate any future changes to the relevant legislation to facilitate the aims above. In order to ensure a proactive approach to the empty properties within the District and maintain the low level of voids which currently exist, the Environmental Services Division through the implementation of policies set out in this document and the associated ISO 9001 procedure (see appended flow diagram) will: -

- Seek to maximize use of the private sector stock in meeting the housing needs of the District.
- Will ensure value for money in those cases where public funds are used , to encourage the return of empty properties to the housing stock.

Your Comments.

Your views on this document are most welcome. Please contact Harry Quarrell by letter, phone, fax or e-mail.

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