

# **EMPTY PROPERTY STRATEGY**

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## SECTION 1

### SUMMARY

- An empty home is a wasted resource for Swale Borough Council.
- The owner could receive income from selling it or letting it.
- The council could receive an income from Council Tax if it were occupied.
- Local residents have to live with problems that may arise with a property being vacant for a long period.
- It is vital to minimise the number of empty homes in order to ease pressure on the housing stock and therefore reduce the necessity to develop on greenfield land.
- Empty properties brought back into use reduce the opportunity for petty crime, vandalism, arson and other anti-social behaviour.

### Aims

- To reduce the number of long-term empty residential properties and increase the housing supply in Swale by bringing them back into use.
- To provide a contact point and resource for owners of empty properties and members of the public concerned about empty properties.
- To reduce the number of long-term empty properties by 15% over the next five years. Best Value Indicator 64 requires Local Authorities to set targets and report on their performance each year.
- To encourage the provision of more affordable rented accommodation in areas of greatest shortage and to provide possible alternative accommodation to those homeless families who otherwise may have to live in bed and breakfast accommodation.
- To prevent the fabric of empty properties deteriorating and becoming an eyesore to the community or a focus for anti-social behaviour.
- To minimise the number of properties becoming long term empty by identifying them early from working with the owners.
- To provide a strategic link with Swale Borough Council Housing Strategy.

## SECTION 2

### INTRODUCTION

#### What is an Empty Home?

Councils are required to report on the number of long term empty homes in their areas. These are defined as homes that have been unoccupied for more than six months. However the Office of the Deputy Prime Minister (ODPM) supports a wider definition and also includes homes which:

- Have been unoccupied for less than six months and are special cases. For example, the Local Authority as a result of serious disrepair or other problems being caused by the property have taken legal action.
- Are occupied, but the space is capable of more beneficial use.
- Do not have a reasonable prospect of being bought back into use by the owner working alone.

#### The National Scene

In 2002 an estimated 732,000 homes were standing empty in England. There remains a significant and long-standing problem of empty homes, particularly in the private sector, which accounts for some 80% of all empty homes. Approximately half of these have been vacant for more than 6 months. The need to reduce the number of empty properties has been widely recognised in recent years mainly through the campaigning of organisations such as the Empty Homes Agency. In response, the Government intends to introduce a number of measures to encourage the re-use of empty properties. These will include:

- Incentives through a lower rate of VAT to carry out refurbishment of a property.
- Penalties through higher rates of Council Tax for properties that remain long-standing empty.
- Giving Local Authorities greater powers to compulsory purchase and refurbish properties through compulsory leasing schemes and management control orders etc.

#### The Local Scene

Identifying empty homes can be difficult. At present Council Tax records are considered the most accurate source of information on empty homes in the Borough. Empty properties receive an exemption from Council Tax and a listing of all exempted properties can be obtained from Council Tax records. However, this listing also includes hundreds of chalets and caravans on the Isle of Sheppey and premises that have been redeveloped or demolished and never removed from the records.

In 2001, the Housing, Planning and Council Tax staff worked through the listing of exempt properties amounting to some 9425 homes and agreed a final list of properties which met the definition of an empty home. This list totalled just 202 premises (0.4% of the total housing stock). The table below shows the split of empty homes between the planning areas by way of an unconstrained potential, the majority of which are on the Isle of Sheppey:

**Table 1: Unconstrained potential of the re-use of empty homes by planning area:**

Planning Area	Number of vacant homes
Sittingbourne	48
Faversham	47
Isle of Sheppey	107
<b>TOTAL</b>	<b>202</b>

This information was used to establish a database of empty homes. Since then it has been updated through further information and survey work and as at the 1<sup>st</sup> April 2004, the estimate of long-term empty homes in Swale was 350.

Information can also come from a variety of other sources, for example, neighbours suffering nuisance or some form of unsocial behaviour associated with the house being left empty.

### Flats Over Shops

Between November 1999 and April 2000, the Borough Council undertook a survey of the three town centres in Swale: Sittingbourne, Faversham and Sheerness. The purpose of the survey was to ascertain the levels of floor space that were underused within the properties. A total of 97 units were found to have vacant space on upper floors. (Annex 1 provides further information about the survey).

### Empty Home Survey

A survey of owners of empty properties was carried out in 2002 by the Housing Enforcement Team to endeavour to find out why they chose to leave their properties vacant. This identified 56.5% of homes were left empty because of the cost of the repair work needed or because they were in the process of being renovated. 67% said they had endeavoured to rent the property with 62% stating they had encountered problems because of the cost of repairs needed to bring them up to standard. (Please find full summary in Annex 2).

### Housing Need in Swale

In 2001 Swale Borough Council commissioned a Housing Needs Survey to quantify the overall need for new housing likely arise over the period to 2016. It produced a comprehensive picture of the need and supply of housing in Swale and established the proportion of people in need that cannot afford market housing. The survey concluded that the demand for affordable housing outweighs the supply of housing by 153 homes per annum over the next five years. There are relatively few empty homes in the Borough but their potential as affordable housing makes them a significant wasted resource.

## Strategic Links With Other Plans and Policies

### The Housing Strategy

The Council is required to produce its Housing Strategy as an over-arching document that reviews all housing related issues in Swale. It sets out housing objectives, establishes priorities for action and includes a comprehensive Action Plan. Key Priority 1, 'Maximise Access to Housing', sets out a number of actions aimed at reducing the number of long-term empty homes:

- Providing an Empty Homes Officer as a contact point and resource for owners of empty properties and concerned members of the public;
- Improve information made to landlords;
- Maintaining a register of long-term empty properties;
- Review providing grants to bring back into use long term empty properties;
- Extending the rent deposit scheme;
- Introducing a private sector leasing scheme with a registered social landlord partner; and
- Prioritising action on long-term empty property where giving rise to nuisance or anti-social behaviour, including enforcement action

This strategy will build upon the actions above, providing further details of the situation in Swale and proposed actions for the future.

### The Local Plan

The Local Plan strategy sets out the future direction for the Council's planning decisions and its expectations for those contemplating investing in the Borough. It also gives the community certainty as to how the Borough is likely to change (or not change) in the coming years. These changes must be achieved in such a way that the quality of life in the Borough is sustained for future generations; that is by promoting the goal of a more sustainable form of development.

The Local Plan Deposit Draft First Review March 2004 outlines the following themes that link to work on Empty Homes:

- Ensure that the development of brownfield land takes preference to greenfield land
- Improve Sittingbourne town centre and rejuvenate Faversham and Sheerness
- Achieve a more diverse mix of uses and communities
- Achieve a better balance between the provision of jobs and houses to produce more sustainable patterns of development

### The Community Safety Plan 2002 - 2005

The Community Safety Plan for Swale (2002-2005) is an agreement between local people and the members of the Swale Crime and Disorder Reduction Partnership (C.D.R.P.) on the issues that need to be tackled in partnership. It helps to identify where the work of the agencies overlaps and where a co-ordinated approach to crime and disorder can be further progressed. Four over-arching objectives are listed in the strategy:

1. Reducing crime and the fear of crime by reducing the causes of crime and disorder in the community
2. Reducing the offending and anti -social behaviour by those who have most impact on our community
3. Encouraging those within our community who are vulnerable to seek help and protect them when they do so
4. Encouraging all members of our community to take responsibility for the borough in which we live

### The Benefits of Bringing Empty Homes Back into Use.

The ODPM consultation paper, 'Empty Homes: Temporary Management, Lasting Solutions', estimated annual cost savings/benefits arising from the reuse of a single empty property as follows:

(2002/03)

Owners

Council Tax savings	£400
Dilapidation cost savings	£500
Security cost savings	£250
Rental income	£6,000
<b>Total</b>	<b>£7,150</b>

Local Authority

Resource cost savings	£4,000
B&B Savings	£10,600
<b>Total</b>	<b>£14,600</b>

Emergency Services

Fire response cost savings	£180 (per incident)
Police response cost savings	£30 (per incident)
<b>Total</b>	<b>£21,960</b>

The implications of a property being left vacant are not just financial:

- Increased dereliction, vandalism, litter and arson
- Reduction in the market values of neighbouring properties
- Reduction in the availability of housing
- Wider implications include reduce demand of goods and service of local businesses

### Measuring Performance

Best Value Performance Indicator (BVPI) 64 measures the performance of Councils in regard to bringing empty property that has been vacant for more than six months, back into use. It measures the number of private sector vacant dwellings that are returned into occupation or demolished during the year as a direct result of the local authority.

In addition key actions will be monitored and reviewed through the Housing Strategy Action Plan

### SECTION 3

#### WHAT ARE WE DOING NOW?

- Advice to owners on their options to bring properties back into use with an information pack
- Offering a Private Leasing Scheme through our partners 'Avenue Lettings' (part of the Amicus Group). They offer a guaranteed rental income to the landlord and under the agreement carry out all management of the property including finding the tenants, collecting the rent (guaranteed 52 weeks income per year) and arranging repair work.
- Empty property survey carried out in 2002 to determine our situation (see Annex 1).
- Rent deposit scheme used to fill existing empty properties quickly with the Local Authority being the guarantor.
- Continuing to monitor our empty properties through our Council Tax records.
- Actively responding to residents in the borough who are concerned about empty properties nearby and taking appropriate enforcement action where necessary.
- Encouraging landlords by sharing information through the Landlords' Forum.
- Sharing good practice and working with other authorities through the 'Kent-Wide Empty Property Forum' and the Empty Homes Agency, a registered charity dedicated to bringing properties back into use countrywide.
- Agreement with Local Plans to explore the use of Section 106 monies to assist with bringing empty homes back into use and providing affordable accommodation in areas of need. Also they may encourage the development or conversion of empty buildings for homes where need has been identified.
- A working group across units exists of key officers to share information and provide a co-ordinated approach.

## SECTION 4

### PARTNERSHIP WORKING

Key to the success of any Empty Property Strategy is a co-ordinated approach with all stakeholders, agencies and organisations fully committed to working together to achieve the aims of the strategy. A number of departments and teams within the Local Authority are likely to deal with empty properties and may therefore be able to assist you. These include:

- Housing Enforcement Team – role of Empty Homes Officer within the team. May become involved in investigating complaints and may have to undertake legal action to board up a house or serve notice for its repair.
- Local Plan Teams – may be able to encourage the re-use or conversion of empty properties where housing need is identified
- Planning Enforcement Teams - may also be involved in taking legal action where properties are identified as an eyesore and detrimental to the neighbourhood.
- Building Control Team – may be involved in taking action if a property becomes dangerous or dilapidated.
- Regeneration and Economic Development Team – may be responsible for bringing forward proposals for area-based regeneration a renewal project of which the re-use or conversion of empty properties may form a part.
- Property and Estates – may be able to assist in the feasibility of the re-use of or conversion project. In this respect they may be able to provide specialist advice where statutory action is being considered.
- Council Tax and Rating – may hold information on owners claiming exemptions or discount. They may also wish to see properties brought back into use to maximum council tax and rates revenues.
- Legal services - may be involved in negotiations and prepare documents with regard to compulsory purchase or leasing.
- Homelessness Team – may have a waiting list of tenants to nominate and therefore wish to identify properties that can be brought back into use for affordable housing.
- Cleansing Services – may be called to clear rubbish from a property.
- Community Services – the community safety officer may be aware of problem areas and wish to see actions linked to the Crime Reduction Partnership

It is also important to note that there are legal restrictions relating to accessing some of the information between Local Authority departments and the sharing of information by the Local Authority with other people from organisations. This is encompassed in the Data Protection Act 1998.

The latest guidance from the Office of the Deputy Prime Minister suggests that each Local Authority develops a task force to deal with the problem and this should include planning authority, building control, legal section, police and fire authorities.

Several Kent authorities already have dedicated Empty Homes Officers with a budget to spend to bring properties back into use. Some authorities have found benefits in establishing a task force of key officers who work closely together to ensure the most appropriate action is taken with each case.

#### Other Organisations and People

- Landlords – through the Landlords Forum and the Southern Private Landlord's Association
- Registered Social Landlords – key partner through private leasing schemes and other initiatives. As large stockholders they may have empty properties that are difficult to let.
- Councillors – make many of the Local Authorities important decisions including approving an empty property strategy and granting consents. Through local knowledge and contacts they may also be able to give help in identifying empty properties and brokering their reuse or conversion with the owner.
- Resident and Community groups – may be aware of empty properties in their communities, a range of community consultation techniques can be used.
- Emergency Services – the local Police and Fire Service may be called to deal with empty properties and be able to identify particular trouble spots.
- Community Wardens – may have information on problem empty homes that are being used for indulging in substance abuse or other anti-social behaviour.
- The Home Improvement Agency or other brokerage agencies – may be involved in bringing potential purchasers or tenants together with owners of empty properties. Their skills and network will therefore be valuable.
- Local Estate Agents – may be able to give help and useful advice with regard to properties that they have empty.
- Citizens Advice Bureau – may also highlight and give information with regard to properties which people who call in to see them have concerns about.
- Social Services – may be involved in re-housing elderly people that could result in properties being left empty.

## **SECTION 5**

### THE WAY FORWARD

Listed below are various elements that can contribute towards an effective strategy

#### Identification and Monitoring of Empties

- To maintain a register of long term empty homes to assist with monitoring progress and prioritising action.
- To improve information gathering with Council Tax Section to assist with the identification of new long-term empty properties.

#### Advice and Information

- To improve the information offered to landlords by providing information packs with a suite of leaflets appropriate to their circumstances. A more general information leaflet to be available at all council offices, libraries and any other appropriate advice centres.
- To provide a 'Empty Homes Officer' as a single point of contact for landlords and the public seeking information and the officer to have a focal and co-ordinating role for all empty home action. The officer to head a task force of key officers within the Council to assist delivery of aims and ensure the most appropriate action is taken with regard to each case.

#### Empty Home Initiatives

- As and when funding permits, to consider giving landlords grants or preferential rate loans to bring empty properties back into use thereby priming reaction. In return, landlords would be required to give over their nomination rights to the Local Authority or a registered social landlord to manage, find tenants and collect rent from the property for five years. The assistance would bring the property up to a decent home standard.
- Investigate the potential for the creation of flats in unused space above shops in town centres.
- As and when funding permits, to consider extending the current rent deposit scheme to encourage landlords to let to persons on low incomes.
- To prioritise action on dwellings in areas of known housing need or where they are giving rise to nuisance or anti-social behaviour.
- To take appropriate enforcement action where informal action has failed. Actions to be in accordance with Council's Enforcement Concordant Policy. In extreme cases, the use of compulsory purchase or leasing action is to be considered.

#### Delivery of the Strategy

- Explore funding sources that could be used to assist with bringing properties back into occupation e.g. Section 106 Land Agreements, Thames Gateway Funding, charging full Council Tax on long-term empty homes, Purchase schemes through Housing Corporation.
- To monitor performance via the Housing Strategy monitoring arrangements and report annually on progress made in Best Value Performance Plan.

## SECTION 6

### POWERS AVAILABLE FOR PROPOSALS

Unfortunately, not all owners will respond with positive encouragement. Where negotiation with an owner does not bring a property back into use where appropriate, enforcement action will be taken. The strategy will always be to work positively with owners.

#### Existing Powers Available

*Section 29 - Local Government Miscellaneous Provisions Act:* Enables us to board up a property giving the owner, if we can contact him, 48 hours notice to make secure the property. If the property is not boarded up we have powers to carry out the works in default and put a charge on the property.

*Section 80 of the Environmental Protection Act:* To serve on the owner to stop accumulations occurring particularly in relation to putrecible waste.

*The Control and Prevention of Pest Act 1949:* With regard to rodent infestation of the property.

*Section 215 The Town and Country Planning Act 1990:* This is with regard to any areas that are detrimental to the amenity – this may include overgrown gardens.

*The Building Act 1984:* This can be used with regard to dangerous dilapidated or ruinous buildings.

*The Housing Act 1985:* This can be used with regard to fitness standard and the disrepair of a property.

*Compulsory Purchase Orders:* These can be used by a Local Authority to compulsory purchase a property if getting no response from a landlord or owner. At present this piece of legislation is very long-winded and a number of letters have to be sent to the owners and an application made to the Secretary of the State. This process can go on for several years prior to actually purchasing a property.

#### New Proposals

##### Management Orders

This is a new proposal that will involve compulsory leasing. The Local Authority will take over the property, inform the owner, carry out repairs and then charge a rent to an occupier. This rent shall be charged accordingly to cover the cost of refurbishment of the property. When the rent matches the cost of the refurbishment of the property, the property then would have to be handed back to the owner.

##### Forced Sale Procedure

This is being used again in areas of low demand as mentioned previously in the North East, Lancashire, Liverpool and Manchester where there are swathes of empty properties but don't expect this to be used in the Swale area.

##### Compulsory Purchase Order

The Government are proposing to speed up this procedure and we are waiting for details.

## ANNEX 1

### SUMMARY OF RESPONSES TO TOWN CENTRE SURVEY ON VACANT FLATS ABOVE SHOPS

Between November 1999 and April 2000, the Borough Council undertook a survey of the three town centres in Swale: Sittingbourne, Faversham and Sheerness. The purpose of the survey was to ascertain the levels of floor space that were under-used within the properties.

A questionnaire was sent to the occupant of every premise in the town centres except for the Bell Centre and Forum Shopping Centre in Sittingbourne. Also excluded were premises already wholly in residential use. 780 questionnaires were sent out and site visits made to premises that had not returned them over the coming weeks to ensure a reasonable return of forms.

The questionnaire asked the owner and/or occupier to complete a few questions including the number of storeys, the owner of the ground and upper floors and the occupancy of the building. The survey produced the results in the table below:

Table 2: Swale Borough Council Survey Results 2000

Town Centre	SBC Upper floor survey 2000 No. of units with vacant upper floors
Sheerness	28
Faversham	29
Sittingbourne	40
<b>TOTAL</b>	<b>97</b>

Settlements such as Milton Regis, Queenborough, Boughton, Teynham and Newington also potentially contain vacant floor space above shops. The Council did not have the opportunity to carry out a questionnaire as before, thus it resolved to use the Councils Business Rates records, despite some limitations. It also involved the removal from the list of sites with known planning permission for residential purposes. This resulted in a potential additional 15 units as shown in the table below:

Table 3: Number of premises, by planning area, with vacant floor space above ground floor in local centres and the relevant rural settlements

Planning Area	No. of units
Isle of Sheppey Planning Area	7
Faversham Planning Area	5
Sittingbourne Planning Area	3
<b>TOTAL</b>	<b>15</b>

## ANNEX 2

### SUMMARY OF RESPONSES TO EMPTY PROPERTY OWNERS SURVEY 2002

A brief summary of the results is included below. The results have been set out as percentages of those who responded to each question (%'s in brackets against total responses), with the main reasons or problems encountered given for each question.

The total number of properties surveyed was **166**, with a total number of **96** responses, giving a response rate of **57.8%**. Of those who responded **28** stated properties were currently occupied giving a percentage of **29.2% occupation**, with another **6.25%** stating the properties were to be occupied very soon (in less than 6 months).

Question 2: The number of years a property had been left empty varied greatly. The results obtained have been categorised as follows:

<b>YEARS LEFT VACANT</b>	<b>NUMBER OF PROPERTIES</b>	<b>PERCENTAGE</b>
< 1	3	8.3% (3.125%)
1-3	9	25% (9.375%)
3-5	13	36.1% (13.54%)
>5	11	30.6% (11.46%)

Question 3: The reasons given as to why the property had been left unoccupied fell mainly into the following categories (shown in ranking order):

<b>REASON LEFT UNOCCUPIED</b>	<b>PERCENTAGE OF RESPONSES</b>
In process of renovation	38.3% (21.9%)
Unable to sell	25.5% (14.6%)
Cost of Repairs	18.2% (10.4%)
Property sold/being sold	12.8% (7.3%)
Bought as investment	5.2% (3.0%)

Question 4: Had owners ever tried to sell the property?

<b>TRIED TO SELL</b>	<b>YES</b>	<b>NO</b>
	47.2% (21.0%)	52.8% (43.0%)

Problems encountered with selling property:

<b>REASON</b>	<b>PERCENTAGE OF RESULTS</b>
No reasonable offers	7.5% (2.1%)
Buyer unable to obtain mortgage	11% (3.1%)
Survey revealed structural problems	18.5% (5.2%)
Blighted area	7.5% (2.1%)
Other	33.4% (9.4%) Grouped as a portfolio to be sold together 22.1% (6.2%) Made up of varying reasons

Question 5: Had owners ever tried to rent the property?

<b>TRIED TO RENT</b>	<b>YES</b>	<b>NO</b>
	32.8% (21.0%)	67.2% (43.0%)

Problems encountered with renting the properties (as indicated):

<b>REASON</b>	<b>PERCENTAGE</b>
Cost of repairs required to bring up to std	61.9% (39.6%)
Risk of Bad Tenants	11.4% (3.1%)

The majority of those responding to this question indicated their main response to be the cost of repairs to bring the property up to standard, with several indicating a secondary problem such as lack of expertise in managing property or delays obtaining housing benefit payments from the Council. Not all those who responded to the question indicated problems they may have encountered.

AUGUST 2004