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EMPTY HOMES STRATEGY
2010 to 2015

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EMPTY PROPERTY STRATEGY – 2010 to 2015

1. Introduction

- 1.1 Empty homes are a wasted resource, particularly when there is such a high demand for housing in Runnymede Borough. Empty property not maintained can result in the degeneration of an area and lead to anti-social behaviour, vandalism, vermin and general deterioration. Those dwellings which are empty due to current market circumstances could be rented and occupied by families on the Council's housing register, providing rental income for the owner and a home for the family concerned.
- 1.2 The aim of this strategy is to produce an effective co-ordinated approach to tackling the problem of empty homes within limited resources. The benefits to bringing these homes back into use for the Council, the local community and individuals are many and varied:
- The local authority benefits from meeting the housing needs of local people.
 - Bringing empty homes back into use eases the pressure on sites in the Green Belt.
 - The housing stock is generally improved.
 - Generating additional Council Tax.
 - Preventing empty homes becoming the target for anti-social behaviour.
 - The owner benefits from support and advice on options for the re-use of the empty home, turning cost into financial benefit.
 - Runnymede communities benefit from the improved environment, maintaining safe, attractive neighbourhoods and preventing the depreciation of property values.

2. Objectives of the Empty Homes Strategy

- 2.1 Runnymede Borough Council has the following objective:

"To bring back into use empty privately owned properties that neglect and degrade the environment."

3. Background

Why are Homes Left Empty – is it possible to have actual results?

- 3.1 In order to tackle the problem of empty homes, it is important to understand why private homes are being left empty. Reasons can be complex and most reasons are listed below:
- Home requires renovation but the owner does not have access to funds.
 - In the process of renovating.
 - Deceased owner.
 - Perceived problems with renting the home.
 - Cost of selling property.
 - The property is a second home
 - Awaiting planning permission for redevelopment
 - The owner would prefer the home to remain empty.
 - Pending a change of owner.

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- Owners lack information on options available to bring properties back into use
- Homes left empty because the owner has moved into residential care
- Owner awaiting further increases in the market before selling
- Owners are unaware that they own a property or live elsewhere
- Property companies and owners land-bank
- Covenant or ownership problems restrict disposal or type of use of the property
- The owner has abandoned the homes often due to illness or the owner is incapable or unable to deal with the home
- Properties are purchased for the purpose of land assembly and redevelopment but left empty while the process occurs

3.2 The Cost of Leaving a Home Empty

Many owners often do not realise how much money they are losing by keeping a property empty. For example, a typical 2 bedroom house in the Runnymede Borough can cost approximately £12 – 13,000 per annum taking into account lost rent, council tax, insurance, dilapidation and vandalism, maintenance and security. This figure does not take into account mortgage interest payments and other standing order charges for utilities.

The Royal Institute of Chartered Surveyors also estimates that the depreciation in value to a property adjacent to an empty home can be as much as 18%.

4. Achievements to date

Runnymede Borough Council identified the need to tackle empty homes in the Runnymede Renewal strategy 2003 to 2006. Within the strategy methods for identifying, investigating and prioritising action were adopted and included the use of Compulsory Purchase Orders for long term problem properties. An Empty Homes Officer Group was set up with representation from the legal department, planning and environmental health enforcement. The Group meets to identify action for these properties.

4.1 Best Value Performance Indicators

Until 2007/08, the Government collected Performance Indicators:

“The number of private sector dwellings that are returned into occupation or demolished during 2002/03 as a direct result of action by the local authority.”

This indicator is no longer reported, but the results for Runnymede are as follows:

Best Value Indicators – Runnymede Borough Council

Year	Target	Outturn
2004/05	12	10
2005/06	12	78
2006/07	15	12
2007/08	15	24

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4.2 Surrey and Hants Improvement Partnership (SHIP)

The Surrey and Hampshire Home Improvement Partnership (SHIP) is a cross boundary partnership involving Elmbridge, Guildford, Hart, Runnymede, Rushmoor, Spelthorne, Waverley and Woking. The objectives of the partnership are to:

- Establish a recyclable Equity Loan Fund to support home improvements in the privately owned housing market.
- Introduce an enhanced grants programme to tackle fuel poverty for vulnerable owners and tenants of hard-to-heat homes in partnership with other bodies and existing grant schemes.
- Develop an Empty Homes initiative to bring long term empty homes back into use increase the supply of higher quality private rented accommodation and provide additional accommodation for homeless households.

The empty homes initiative resulted in a website being launched in October 2008; "Every Home Counts" (www.everyhomecounts.co.uk). The site assists people who may wish to buy homes they identify as empty as well as owners who may wish to consider renting, selling etc. The site can also be used for reporting empty homes. The information is directed to the Council concerned where action can be considered in line with its policies with regard to empty homes.

The Government Office for the South East that is monitoring this project is keen to progress research into the use of Empty Dwelling Management Orders, to investigate different approaches and combining cross boundary resources to strengthen strategies and methods to bring back empty homes into use. The SHIP sub-group is committed to investigate a "toolbox" of options to be used for different circumstances and share best practice

5 Links with Wider Strategic Issues

5.1 The National Context

The Empty Homes Agency estimates that in 2008 there were 697,055 empty homes in the UK (of which 330,000 have been empty for more than 6 months). This is equivalent to 3.1% of the total housing stock. In the South East, it is 91,074, which is 2.52% of the housing stock. The Empty Homes Agency reported in 2007 that between 1997 and 2008 there had been a reduction in empty homes of 9%. However, the increase of 24,131 properties between 2007 and 2008 revealed the biggest increase in the number of empty homes for 17 years, now 3.46% increase in the year, accounted for by the current market conditions.

It is likely that the current market conditions and impact of the "credit crunch" has led to additional empty homes arising due perhaps to increased repossessions, owners choosing not to sell or that they cannot find a buyer or building projects coming to a halt due to the inability to be able to raise the finance as the availability of credit is limited.

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The Government response in 2005 to the Barker Review of Housing Supply (2003) The Housing Green Paper: "Homes for the Future: More Affordable, More Sustainable" refers directly to the important benefits to housing supply and to environmental concern in the use of existing housing stock. Planning Policy Guidance Note 3: Housing, states that local authorities should "identify and bring into residential use empty housing and buildings in line with local housing empty homes strategies and where appropriate, acquire properties under compulsory purchase procedures."

The Government has given local authorities, owners and developers many tools to help to bring empty homes back into use. Examples are listed below but a more detailed list of statutory powers can be found in Appendix A:

- All local authorities have been encouraged to publish an empty homes strategy
- VAT has been reduced to 5% on properties empty for two years and 0% on properties empty for over 10 years.
- Discretionary council tax charging was introduced on empty property (Local Government Act 2003) and access to council tax permitted to help to bring back properties into use (Housing Act 2004).
- The Housing Act 2004 introduced Empty Dwelling Management Orders (EDMOs), where the local authority takes over most of the rights and responsibilities of the owner, to refurbish and rent out the property without becoming the legal owner.

5.2 The Regional Context

The South East Plan published in Spring 2009 by the South East of England Regional Assembly (SEERA) sets out a long-term programme for delivering sustainable communities. The Plan emphasises the importance of previously developed sites and refers to making better use of the existing housing stock especially empty properties.

The South East Regional Housing Strategy (2008 – 2011) published in April 2008 by the Regional Housing Board sets out an overall objective for everyone in the South East to "have access to a decent home at a price they can afford". Identified priorities are to increase the supply and affordability; develop sustainable communities and provide decent homes. The strategy also supports private sector renewal if linked to neighbourhood regeneration.

5.3 Sub-regional Context

The Empty Homes Sub-Group set up by the SHIP project demonstrates partnership working across boundaries to share best practice and quality of service in dealing with empty homes across Surrey and Hampshire. The web site has been set up and work is now underway to investigate the use of EDMOs by combining resources to introduce a procedure which is practical to operate.

5.4 Links to Other Related Strategies and Local Plans for Runnymede

The Empty Homes strategy is linked to many local strategies, for example:

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The Runnymede Borough Council's Sustainable Community Strategy and Corporate Plan (Runnymede – Making a Difference)

The Strategy was published in 2009 and consists of two key themes: healthier and safer communities and prosperous communities. One of the mechanisms for delivering success within the prosperous communities theme is “to reduce empty homes and ensure that social housing is let as soon as possible after vacation.”

The Housing Strategy Statement 2006 to 2011

The Housing Strategy's main aim is to:

“Ensure we play an effective role in enhancing the quality of life for all our residents and visitors and provide an attractive environment for those who conduct their business in the Borough.”

The Runnymede Borough Housing Strategy is due to be refreshed and the Empty Homes Strategy will be referred to within the new strategy.

The Private Sector Renewal Strategy (updated 2009)

The Private Sector Renewal Strategy supports bringing empty homes back into use as contributing towards improving the private sector housing stock, particularly with the long term houses which are derelict or neglected.

6. Identifying Empty Properties

6.1 The Council Tax Database

Council Tax records can be a useful source of information for local authorities to understand their empty homes problem. These records indicate the location of an empty property, the length of time empty and the name and address of the person responsible for paying the council tax (usually the owner). Limited information is also available on the reason for the property being empty. Not all empty properties are listed on Council Tax records as for instance properties which are uninhabitable are removed from Council Tax lists.

6.2 Complaints by Officers of the Council and Members of the Public

Many empty homes are identified and reported by employees of the Council or reports from members of the public.

6.3 The EveryHomeCounts web site

The web site set up by the SHIP project encourages members of the public to report empty homes, so with reporting being encouraged a database can be developed and empty homes investigated together with the Council Tax records. Between 1 December 2008 and 26 November 2009 a total of 5,162 visitors have visited the site and requested over 50,000 page requests.

6.4 Private Sector Stock Condition Survey

A Private Sector Stock Condition Survey was completed in December 2008 by Fordham Research. The survey comprised a physical survey of dwellings and

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a short socio-economic interview of inhabitants and in total 999 valid survey forms were completed. The survey estimates that there are 761 dwellings vacant, representing 2.6% of the private sector stock which is below the national average but very slightly above the average for the South East (2.54%). The table below shows the numbers by length of time vacant:

Characteristics of Empty Homes in Runnymede Borough Council

Empty Homes – Length of Vacancy		
Length of vacancy	Number	%
Newly vacant (less than a month)	267	35.1%
Mid term vacant (1 to 6 months)	309	40.6%
Long term vacant (6 months or more)	185	24.3%
All vacant dwellings	761	100%

Source: 2008 Private Sector Stock Condition Survey – Final Report December 2008 – Fordham Research

The Government and local authorities refer to those homes empty for over 6 months. The time period from one month to 12 months can be empty for many “transitional reason” e.g. probate issues, waiting for purchase etc. It is therefore useful to examine the properties that have been empty for over 12 months and target action at this group.

The statistics provided for the Housing Strategy Statistical Appendix, which is a return each Council has to provide to the Government provides the following information:

HSSA 2005-2009 Empty Homes – Vacant dwellings as at 31 March in each year

	Local Authority	Registered Social Landlord	Other public sector	Private Sector	Total	Of which vacant for < 6 months for redevelopment	Other dwellings vacant for > 6 months
2009	62	*	10	*	854	38	233
2008	117	18	7	617	759	62	202
2007	36	7	0	760	803	145	285
2006	135	7	0	688	830	76	387
2005	67	3	8	620	698	Data not collected	407 (from 620 private sector)

A questionnaire was sent out to 345 owners of properties identified as empty from the Council Tax records in August 2009 as part of the SHIP project. A total of 56 people responded to say that the property had been returned back into use after earlier refurbishment and a further 54 responses were received with the following reasons for the property being empty.

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Private Sector Empty Home Survey – Responses (August 2009)

Reasons	6 – 12 months	12 – 24 months	24 – 60 months	Total
2 nd or holiday home	1	2	1	4
Trying to sell or rent	10	1	3	14
Other reasons	4	3	0	7
Planning application in progress	3	2	0	5
Refurbishment in progress	23	6	6	35
Total	41	14	10	65

The response rate was approximately 34% and similar response rates were received across the SHIP authorities. This is compared with earlier surveys which produced response rates of 10%. The reason for this is that the questionnaire was one modelled on one provided by the Empty Homes Agency in their guidance recently issued. It outlined some of the actions the Council can take to bring the property back into use, including EDMO and CPO action.

7. Identifying Solutions

The options for returning empty homes back into use include a combination of advice and information, assistance and enforcement:

7.1 Advice and Assistance

Advice and assistance is given to owners of empty homes to try to encourage them to consider the options to bring the home back into use. The advice covers a range of options including:

- How to repair.
- Letting the home to a tenant.
- Letting the home through Runnymede's rent in advance and deposit scheme.
- Selling to a developer.
- Selling on the open market.
- Selling to a preferred partner Registered Social Landlord for redevelopment.

7.2 The EveryHomeCounts website

The Council has set up the EveryHomeCounts website with the intention of encouraging members of the public to report empty homes and use a range of initiatives to bring them back into use. It also encourages members of the public to be proactive and try to bring homes back into use by investigating ownership themselves if they wish to investigate purchasing renovation projects.

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7.3 Deposit bonds and Rent in Advance Schemes

Runnymede Borough Council operates a deposit bond and rent in advance scheme. Both schemes offer assistance to home owners to rent their property to help people who are homeless or threatened with homelessness and in priority need. The rent in advance scheme offers landlords the security of rent in advance, helps with pre-tenancy matters (including housing benefit) and ongoing advice and support. Mid tenancy visits help to support the tenancy and encourage continued tenancies from landlords. There is also the "Runnymede Rentstart" scheme operated by the Citizens Advice Bureau within Runnymede to assist in this area.

7.4 Council Tax

Council Tax is a local tax set by each local authority to help pay for local services and is the only form of taxation available to local government that is set locally. A property that is unoccupied and unfurnished and requires or is undergoing repair work or structural alteration is exempt from Council Tax for a maximum period of 12 months or 6 months after works deemed substantially complete, whichever is the shortest. A property that is unoccupied and unfurnished is exempt from Council Tax for a period of 6 months. After 6 months, a minimum statutory charge of 50% is payable. The Local Government Finance Act 2003 gave local authorities discretionary power to reduce or remove this discount from 2004/05 onwards.

Runnymede Borough Council has removed the empty home discount as a disincentive to home owners leaving their properties empty which, together with the Empty Home Strategy, will assist to try to bring properties back into use. This means that after the first 6 months, the owner of an empty property is liable to pay the full Council Tax on that property.

Research has been undertaken by the Department of Communities and Local Government (DCLG) "Application of Discretionary Council Tax Powers for Empty Homes", published in January 2009. The research found that around 50% of local authorities had removed the discount. It found that in those local authority areas where the discount was removed, there is an overall reduction in long term empty homes, although the number of empty properties did not change in subsequent years after the initial downward adjustment. Significant reductions were found in only 4 areas, and these were where market renewal projects were also underway. In general, local authority officers interviewed in the study did not consider that removing the discount alone motivates owners to bring homes back into use, and that other costs of leaving a home empty (lost rent etc) had a more significant impact on owners.

7.5 Enforcement Action

The Council will make every effort to agree actions with the owner to bring empty homes back into use by providing advice and assistance. However, there are a variety of legislative provisions that can be used to force owners to deal with the condition of the property and bring back into use. The table below outlines the enforcement provisions permissible by the Council and the various Departments across the Council where actions can be taken.

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Enforcement Options and Legislative Tools

Enforcement Action	Reason and Legislation	Department responsibility
Improving the condition of the property	Where a property is adversely affecting the amenity of an area for example unsightly land or the external appearance of a property, the Council may serve a notice. Section 215 Notice Town and Country Planning Act.	Planning Enforcement and Legal Department
	Where property is dangerous or requires boarding up, the Council may carry out works or require the owner to carry out works to make the property safe. Building Act 1984, Sections 77, 78 and 79 Local Government (Miscellaneous Provisions) Act 1982 Section 29	Building Control and Legal Department
	Where a property is likely to become a danger to public health or is causing a statutory nuisance or where there are pest control issues, the Council may serve notices or carry out works to remedy conditions. Public Health Act 1936 Environmental Protection Act 1990 Prevention of Damage by Pests Act 1949	Environmental Health and Legal Department
	Where a hazard exists at a property that has the potential to result in harm, the Council may serve notices or carry out works to remedy conditions. Housing Act 2004	Private Sector Housing Team and Legal Department
Enforced disposal	Where a local land charge has been made on a long term property (possibly through some of the actions outlined above), the Council can force the sale of the property, provided the default works is comparable with the market value of the property. Law of Property Act 1925	Private Sector Housing and Legal Department
Empty Dwelling Management Orders (EDMO)	Where a property has been empty for over 6 months, and the owner has refused all reasonable offers of assistance, EDMOs can be sought. The property must be in an area of need and can be leased to households in need. The Council can take over the property, carry out any repair work and recover the cost through the rent for a period of up to 7 years. A 12 month interim order can facilitate agreement and a final order can last for 7 years Housing Act 2004	Private Sector Housing and Legal Department
Compulsory Purchase	Where a property is a long term empty, in poor condition and in an area of housing need, ultimately for those owners who fail to re-use their property, the threat and use of compulsory purchase powers can be considered. The power is most appropriate for property which requires extensive renovation. Housing Act 1985 Section 17	Private Sector Housing and Legal Department

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7.6 Empty Dwelling Management Orders (EDMO)

The Housing Act 2004 introduced EDMOs as another tool to help local authorities to bring empty homes back into use. The Council can serve an order to carry out repair work and recover the cost by renting the property out for a period of up to 7 years. The Council would appoint a managing agent and identify the tenant. After the 7 years, the home would be returned to the owner. There is a long process to taking over the management of the property and funding is required to carry out repairs or improvements to bring the properties back into use. It is not the solution for properties where there is a need for major refurbishment as the money spent on the works would not be recovered over the 7 year period of rental.

This tool has not been used to date by the Council due to the cost of bringing a property back into use and lack of willingness of organisations to be management agents. There are many difficulties for Registered Social Landlords or other agencies to manage these properties as they are often disperse and require expertise in the area of intermediate rental management.

However the SHIP project outlined above is investigating the use of EDMOs to establish if there are benefits of joining forces to tackle some of the problems highlighted.

The Empty Homes Agency was set up to raise the profile of empty homes and campaign to bring them back into use. In the past, pressure has been brought to bear on public authorities with empty property and resulted in many being developed for residential housing schemes. The Empty Homes Agency has recently produced guidance on the use of Empty Dwelling Management Orders and this guidance is being used for the research the SHIP Empty Homes Sub-Group is undertaking.

7.7 Compulsory Purchase (CPO)

Advice and assistance is always encouraged but where all other options have been exhausted, compulsory purchase powers can be used as a last resort. A CPO enables the Council to acquire ownership of the empty property and to sell it on the open market for refurbishment and reoccupation. The SHIP Empty Homes Group is investigating the pooling of legal resources or referring to specialist organisations in order to progress CPO action across the West Surrey and Hampshire authorities.

Other local authorities have been successful in bringing back properties using CPO action and, for example, Rushmoor Borough Council has expressed willingness to share best practice and possibly legal resources to encourage a SHIP wide approach. The approach requires a clear Empty Homes Strategy and procedures. The affect of a successful CPO programme in itself can motivate home owners to bring their properties back into use and at least co-operate with local Councils to enter into dialogue about potential options.

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8. Process for Dealing with Empty Properties

8.1 Procedure

It is essential that a good working relationship is developed between the Council and property owners to encourage the voluntary re-use of long term empty homes. Only where voluntary approaches have been declined or ignored should the Council consider the use of statutory enforcement powers. However, in order to take formal enforcement action, a sound base of evidence of efforts made to deal with a long term empty home is needed. For example, continued efforts to provide advice and assistance and proposals that have not been taken up by the owner.

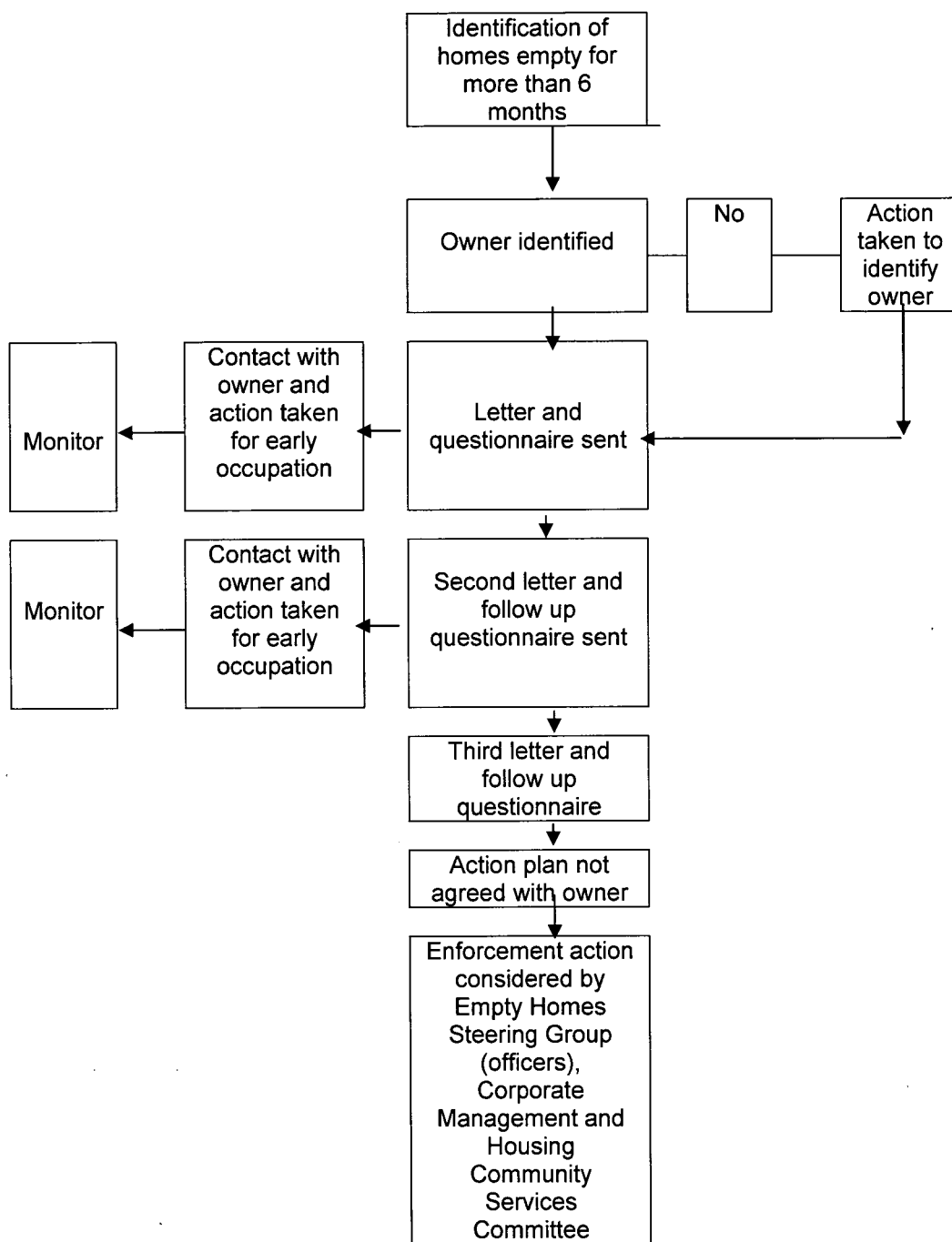
The procedure outlined below is a simple process to be followed and will be monitored to identify clearly the efforts that have been made. Personal contact will be encouraged as much as possible to establish clearly the reasons why property is not brought back into use and investigate ways of dealing with the issues raised.

The Empty Homes Group meets to agree action to be taken to bring properties back into use. Those owners who refuse to co-operate, either at interview or with the written advice given will be informed that the Council may consider taking enforcement action to secure the re-use of the home. Those empty homes where there is little likelihood of being brought back into occupation voluntarily will be prioritised and targeted for enforcement action.

It will be the role of this group to monitor performance and review the position with empty homes on a regular basis as well as this strategy and policy.

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Process for Tackling Empty Properties



9. Funding

The main emphasis and support is through advice and information about options available and direct action. If grants or loans are provided, it would be at the expense of other housing initiatives including new affordable housing. Therefore it is not possible for the Council to commit large resources to owners. The Council would look to the owner using the value in their property to pay for improvements. The Private Sector Renewal Strategy and grant policy is being reviewed and the consideration of empty homes grants will be taken when this

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strategy is being formulated. In addition, the risk and financial implications of bringing empty homes back into use by CPO and EDMO action will need to be taken into consideration. If auction sales can be agreed following CPO action then there will be limited financial implications for the Council as all costs involved can be recovered. However, funds may be required to progress a home by way of Empty Homes Management Order to carry out repairs and works to make the home habitable.

10. Consultation

The draft strategy has been circulated to the Community Strategy Housing Task Group for comment and is still open to amendment to take into account suggestions and good practice.

11. Future Challenges

The increase in the number of empty homes due to current market conditions may be due to shorter term vacancies that can be tackled over time as market conditions improve. There are opportunities to encourage owners to lease the properties to households on the housing register and it is possible that constructive dialogue can take place with owners into the future. The processes and policies adopted in this strategy will ensure an efficient approach to bringing the long term empty homes back into use.

There are several actions that we can target in order to monitor progress and improve service to all concerned. The actions are focussed on identifying the empty homes using Council Tax records, subject to Data Protection Act requirements, and working in partnership with colleagues within and externally to encourage owners to bring their homes back into use. The target relating to the number being brought back is based on the long term empty homes which are an "eyesore".

The number of "transitional" empty properties brought back into use by local authority intervention can be monitored over time to see if there is an increase even though it is no longer a requirement to report this figure to the Government. With a constructive Empty Homes Strategy it is hoped that the number of empty homes will decrease and improve the street scenes and local environment.

Empty Homes Strategy 2010 to 2015 - Actions

	Action	Lead	Implement By	Barriers to implementation/ additional resources identified
1	Reduce the number of properties empty for more than 6 months by at least 10 per year.	PSEM	Annually	Lack of funding or willingness of owners.
2	Bring at least 2 private sector long term empty homes (e.g. more than 12 months) back into use through action by the local authority	PSEM	Annually	None identified
3	Maintain and regularly update an Empty Homes database in liaison with Council tax	PSEM	Ongoing	None identified

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	Action Continued	Lead	Implement By	Barriers to implementation/additional resources identified
4	Update the Council's website to include a link to the Everyhomecounts website and promote.	PSEM	January 2010	None identified
5	Introduce the revised procedure	PSEM	January 2009	None identified
6	Develop leaflets for owners of empty homes and those making public enquiries	PSEM	May 2010	None identified
7	Empty Homes Group to meet four times a year.	PSEM	January 2010	None identified
8	Monitor the outcomes of each type of action in bringing empty homes back into use	PSEM	January 2010	Initial investment needed and considered on a case by case basis.
9	Investigate reports of empty homes provided by Councillors and local residents.	PSEM	January 2010	None identified