

Empty Property Strategy 2006 – 2009

Epping Forest District Council

Foreword

In spite of the high demand for housing in Epping Forest, there are still long term empty homes in the private sector. A recent Vacant Properties Survey estimated the number at around 1,250 (2.9% of private sector homes). At any one time, there will always be empty homes – properties awaiting sale, a new tenant or perhaps renovation. However, the Council is concerned about long term empty properties – those that have been empty for six months or more. Some properties have stood empty for years.

The Survey estimated there are 450 long term empty properties in Epping Forest. Some of these (around 190) have been empty for 12 months or more. The Council feels it is wrong for properties that could provide good accommodation to stand empty, especially when affordable homes are so scarce. Not only are they a wasted resource, often they can blight a locality, and can be associated with fly tipping and other anti social behaviour.

Bringing empty homes back into use increases the supply and range of affordable housing without greenfield development, enhances the environment, helps tackle homelessness and helps reduce anti social behaviour.

This Empty Property Strategy describes the issues involved, and sets out the action the Council intends to take to bring long term empty homes back into use.

Epping Forest District Council

Empty Property Strategy 2006 – 2009

Introduction

The Council has a duty to deal with unsatisfactory private sector housing. It has recently produced a new Private Sector Housing Strategy to set out a new approach to this work and the Empty Property Strategy is part of the framework.

There is always a small proportion of empty homes. Properties empty awaiting sale, reletting or renovation, are a normal part of the housing market. A small number of properties are second homes and may be empty for periods. The problem is with long term empty homes – homes empty for six months or longer. Some homes have been empty for years. At a time when affordable homes are scarce, it is wrong for properties that could provide good accommodation to stand empty.

As well as being wasted accommodation, empty homes can cause significant problems. They can attract fly tipping and other forms of anti social behaviour especially when they are not secure. As they deteriorate, they can devalue adjoining properties and blight the neighbourhood.

Bringing empty homes back into use has many benefits:

- Increasing the supply of affordable housing (especially rented housing);
- Reducing the need for new build and encroachment on the green belt;
- Enhancing local neighbourhoods and helping to maintain the value of other homes;
- Helping to prevent fly tipping, vandalism and other anti social behaviour;
- Improving overall housing standards; and
- Helping to tackle homelessness.

The aim of the Empty Property Strategy is to set out the action the Council intends to take to bring long term empty homes back into use, and to set targets and timescales.

Links to Other Strategies

Government policy clearly sends out a clear message that local authorities should intervene to bring private sector vacant properties back into use. Best Value Performance Indicator 64 (BVPI 64) records the number of empty properties brought back into use each year as a direct result of local authority intervention. The Housing Act 2004 has introduced Empty Dwelling Management Orders (EDMOs) to give local authorities a new power to use in difficult cases.

The need to develop effective empty property strategies is a specific priority of the London Commuter Belt Sub Regional Strategy.

The Empty Property Strategy has evolved from the review of private sector housing work that led to the new Private Sector Housing Strategy. Because of the many potential benefits of bringing empty properties back into use, this strategy also has links with the Council's Housing Strategy, the Epping Forest Homelessness Strategy and with Epping Forest District Council Plan as well as the Council's Best Value Performance Plan.

What is an Empty Property?

At any one time some private sector homes will be empty, most for good reasons. There are two main categories of empty property:

- Transactional vacancies
- Long term (problem) vacancies

Transactional vacancies are a normal part of the housing market. Properties often stand empty when awaiting sale or a new tenant. Often properties are unoccupied while renovation works are carried out prior to sale or reletting. Normally the vacancy period is fairly short and there is rarely any reason for the Council to intervene in these circumstances.

Long term (problem) vacancies are generally defined as properties empty for six months or longer. Some vacant properties are highlighted as problems because of complaints from neighbours or other public bodies, a situation which can arise in less than six months if a property is not secure and becomes a focus for anti social behaviour. These can become properties where the Council needs to intervene.

Why Do Private Sector Homes Stand Empty Long Term?

In some parts of the country homes stand empty because there is no demand. Lack of demand does not apply to Epping Forest, which is an attractive and popular place to live with high house prices and rents. However, properties can stand empty because:

- the owner(s) cannot be traced, for example where an owner dies and beneficiaries cannot be found, or
- there may be several different owners and they disagree over using the property (there may be a family dispute or a divorce settlement), or
- the property may have been repossessed and the legal position is complex, or
- a property may be in very poor condition and the cost of renovating it could be excessive compared with the money the property could generate, or
- a property may have been bought for speculative reasons and the owner is hoping to make a future gain in a rising market without the responsibilities involved in letting it.

What is the Scale of the Problem in Epping Forest?

Nationally around 3% of private sector properties are empty at any one time (English House Condition Survey 2001). The 2005 Epping Forest House Condition Survey estimated that 2.9% of the private sector stock was empty (1,250 homes). A further Vacant Properties Survey looked at a large sample of empty homes and this found that, of the 1,250 empty homes, 450 (36%) had been vacant for over 6 months and of these, 190 (15%) had been vacant for more than 12 months. The national average for long term vacants is 51%, and in the East of England 48%.

Whilst the proportion of long term vacants is below both national and regional averages, these numbers still represent a substantial resource that could provide good homes for many people.

The Vacant Properties Survey also showed that the condition of long term vacant properties was significantly worse than average. For example:

- Over 90% failed the Decent Homes Standard compared with 23% for homes across the District.
- The average cost of comprehensive repairs in long term vacant properties is over £21,000 compared with £12,000 for non decent homes across the District.
- The mean SAP rating is 35 compared with 58 across the District (SAP rating measures the thermal efficiency of a dwelling – the higher the figure the better).
- There are higher proportions of older amenities.
- 47% of long term vacant properties give an external impression of being defective, seriously defective or unfit for habitation.

The long term vacant properties are not distributed evenly across Epping Forest. The Vacant Properties Survey split the District into 3 sub-areas – Epping and South, Ongar and North and Waltham Abbey. A map showing these sub-areas is included at Appendix 1. The survey showed the sub-area with the highest percentage of vacant properties was Waltham Abbey at 4.3% (267 properties) compared with Epping and South at 3% (800 properties) and Ongar and North at 1.9% (184 properties).

However, the area with the highest proportion of long term vacants was Ongar and North, where 61% of all empty homes had been vacant for 6 months or more. This compares with 38.2% in Epping and South and only 12.1% in Waltham Abbey.

An Information Base

To deal with long term empty homes, the Council needs to know where they are. An effective information base is vital. The Council now has a database which draws on Council Tax records (this is permitted by the Housing Act 2004) and the Vacant Properties Survey has given very good information.

However, it is important to ensure that information is accurate and up to date. To raise awareness of the problems of empty homes, the Council is now taking two new steps:

- Both the Council's website and The Forester (the Council's quarterly magazine to all residents) will highlight the issues and give a simple procedure for residents to report problem empty homes.
- All members of Council staff who make site visits as part of their job will be asked to ensure they report any problem empty homes.

Measures To Bring Empty Homes Back Into Use

As indicated above, the reasons for properties remaining long term vacant are often complex. The aim of this Empty Property Strategy is to overcome the barriers to empty homes being brought back into use.

Intervention by the Council involves a range of options which run through advice and informal action, encouragement, financial incentives in some cases and, where appropriate, enforcement action. In practice, individual cases may require a substantial input of time by Officers in investigations to identify owners and make contact, followed by informal advice and often lengthy negotiations. It is important that officers can

approach a case knowing that, if advice, encouragement, and where appropriate offers of financial assistance, etc fail to bring the properties back into use, then formal powers are available.

Advice and Informal Action

A recognised barrier to owners bringing empty properties back into use, or disposing of them, is the lack of impartial advice. Council Officers in the Environmental Health group will continue to advise the owners of empty homes on the options for renovation, availability of financial assistance, private sector leasing, sale to RSLs or on open market, etc. This includes advice on letting and providing lists of letting agents who manage privately rented properties on behalf of owners.

The Council will highlight the issue of empty properties and the action that can be taken on the Council website and also periodically in the Forester magazine.

Financial Incentives

Finder's Fee Scheme

In April 2007 the Council will introduce a Finder's Fee Scheme. Where a person owns a property that has been vacant for more than 6 months and that property is let to a person on the Housing Register for a minimum of 12 months, then a Finder's Fee will be paid. This will be a one off payment of £1,000 paid in two instalments – one quarter at the start of the tenancy with the balance on completion of the 12 months tenancy. This will both bring an empty property back into use and also mean the housing of a nominated person from the Housing Register. The Scheme will initially be limited to five properties per year.

Private Sector Leasing

In recent years the Council has made significant progress with private sector leasing with the Fresh START scheme in partnership with the East Thames Housing Group. Twenty private sector properties are now leased by East Thames Housing and rented back to households nominated by the Council.

The Council has just been successful, with four other partner authorities from the London Commuter Belt Empty Homes Forum, in a bid for £3.5 million funding to renovate substandard empty homes to the Decent Homes Standard. This will mean 100 dwellings (shared between the five partner authorities) being brought back into effective use. After renovation, the owner will lease the properties to an RSL for a 3 – 5 year period, with Epping Forest having nomination rights.

Council Tax

A change will be made from April 2007 to the discount given for empty, unfurnished dwellings. Properties left empty for six months or less will receive a 100% discount. A 50% discount will then apply for a further six months and after this period, full Council Tax will be payable in respect of empty properties. The Council feels that the removal of this discount will spur some people into bringing empty homes back into use.

Empty Homes Grants

The new Private Sector Housing Strategy sets out how, over the next two years, the Council will be moving to offer financial assistance in the private housing sector by

helping property owners to release equity in their properties. Until the new equity release regime is in place, the Council is continuing to offer financial assistance through grants, boosted by the recent capital grant confirmed by GO-East for dealing with non decent properties.

The range of grants offered has been extended to include Empty Homes Grants to encourage the owners of empty properties to bring them back into use. Once the new arrangements for equity release are in place, Empty Homes Grants will change to a loan format.

The following conditions apply to Empty Homes Grants:

- (i) The property must have been vacant for a minimum period of one year before the application is submitted.
- (ii) There must be a significant hazard within the property rated at Band D or above, or disrepair which amounts to a breach of the Decent Homes Standard.
- (iii) Eligible works are as for Decent Homes Assistance.
- (iv) Landlords or persons having inherited the property are eligible to apply.
- (v) The maximum eligible expense is £10,000.
- (vi) Future owner occupiers and long leaseholders will be subject to a test of resources which will also determine the amount of grant they will receive. The maximum grant for landlord applications is 50% of the eligible expense.
- (vii) Owner occupiers or long leaseholders will be required to give a Certificate Of Owner Occupation for 10 years post completion. Landlords will be required to give a Certificate Of Availability for letting as permanent residential accommodation for 5 years post completion
- (viii) The Council reserves the right to apply nomination rights to accommodation available for renting.

Enforcement

The Council is a signatory to the Enforcement Concordat and seeks wherever possible to resolve issues informally. However, the Council recognises that formal enforcement action is appropriate in some circumstances and is prepared to use such action when necessary. Dealing with long term vacant properties often involves complex, drawn out, negotiation. It is important that both property owners and Officers know and appreciate that enforcement is available if all informal measures fail to reach a resolution in a reasonable timescale.

Miscellaneous Legal Powers

In addition to specific legal powers such as Empty Dwelling Management Orders and compulsory purchase (described below) there are a range of other legal powers which can be used by the Council in individual cases. These include powers to deal with dangerous or dilapidated structures, dwellings that are not secured, blocked or defective drainage, vermin and unsightly land and property. The powers are summarised at Appendix 2.

None of these powers gives a complete answer, but the Council will use them when necessary to deal with specific problems at individual properties while seeking a full solution to bringing the property back into use.

Enforced Sale

Where there is an unpaid debt to the Council (such as unpaid Council Tax, or where the Council has done works in default after an owner has failed to comply with a legal notice and not been able to recover the cost), and the debt is recorded as a Local Land Charge the power of enforced sale can be used. The Law of Property Act 1925 allows a local authority to apply to a court for an order requiring that the property be sold to recover the debt, costs and interest.

The Council will be prepared to use this power in cases where owners fail to co-operate in negotiations to bring a property back into use.

Empty Dwelling Management Orders

Part 4 of the Housing Act 2004 introduces a new power to allow local authorities to make Empty Dwelling Management Orders (EDMOs). EDMOs are designed to provide local authorities with power to take over (or have a third party take over) the management of an empty property that has been empty for more than 6 months in order to ensure that it becomes and remains occupied. In effect this is a form of compulsory leasing.

The procedures are complicated and involve firstly an interim EDMO lasting for up to one year followed if necessary by a final EDMO, which can last up to 7 years. The ownership is not affected but, when EDMOs are in place, a local authority has many of the powers of an owner and can bring the properties back into use. Some actions have to be authorised by a Residential Property Tribunal and owners have rights of appeal to the Tribunal for compensation.

The EDMO gives a new opportunity to take action in difficult cases without moving to compulsory purchase. The Council will, however, pursue all other options before moving on to seek an EDMO and it will generally be used only in exceptional circumstances.

Compulsory Purchase

The Housing Act 1985 allows local authorities to compulsory purchase underused dwellings where there is a general housing need in the area (which is the case in Epping Forest). Compulsory purchase is regarded as the final sanction and is used only in exceptional cases where all other reasonable actions have failed. Epping Forest is conscious of all the difficulties involved in compulsory purchase but will be prepared take this action where the circumstances of a case mean it is appropriate to do so.

The Next Steps

With the adoption of the new Private Sector Housing Strategy, private sector housing in general is set to take a higher profile in Epping Forest. This Empty Property Strategy has sought to strengthen the existing approach to dealing with long term empty homes and introduce new tools to give Officers greater flexibility when tackling what can often be demanding cases.

To deliver its new objectives with empty homes, an Officer will be identified as the Lead Officer for Empty Homes. Work on the GO-East grant aided scheme to bring substandard empty homes back into use is already underway.

The change to the Council Tax will take effect from April 2007, and the Finder's Fee Scheme will start from the same date.

The Empty Homes Grants will be available from October 2006.

The more formal approach to enforcement in difficult cases is already being used.

How will the Council Measure Progress?

The number of empty properties brought back into use each year is Best Value Performance Indicator 64 (BVPI 64), one of the Government benchmarks used to assess the Council's performance.

The Council has set its own target of achieving 25 properties brought back into use during 2006/07, with 30 during 2007/8. Appendix 3 sets out targets and timescales for the various components of this Strategy.

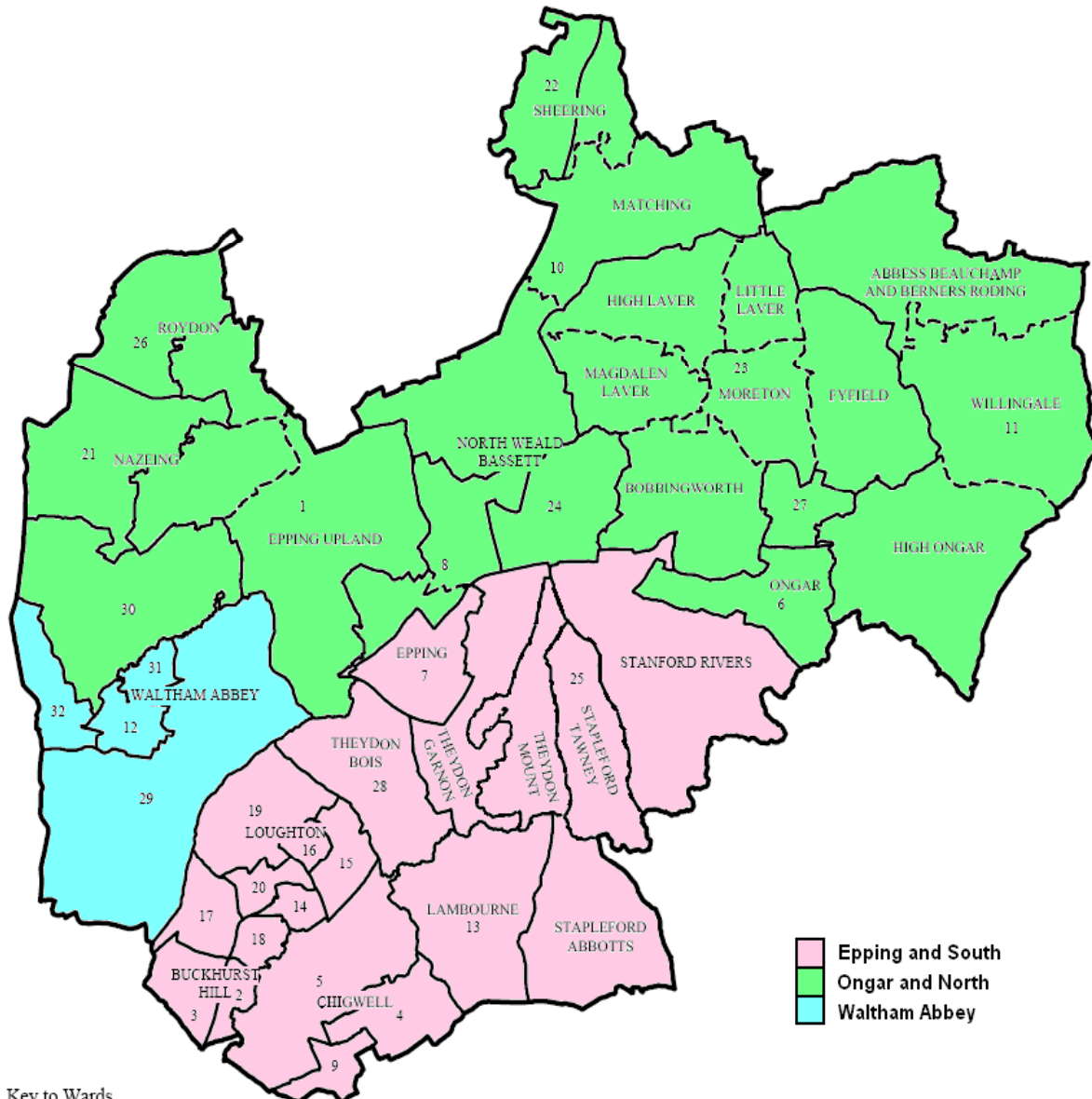
Contact Details

If you require any further information or have any comments about this Strategy, please contact,

Environmental Services: 01992 564149/4072

APPENDIX 1

Map of Sub-areas for House Condition Survey and Vacant Properties Survey



Key to Wards

- | | | |
|---|-----------------------|------------------------------|
| 1 Broadley Common, Epping Upland and Nazeing | 12 Honey Lane | 23 Moreton and Fyfield |
| 2 Buckhurst Hill East | 13 Lambourne | 24 North Weald Bassett |
| 3 Buckhurst Hill West | 14 Loughton Alderton | 25 Passingford |
| 4 Chigwell Row | 15 Loughton Broadway | 26 Roydon |
| 5 Chigwell Village | 16 Loughton Fairmead | 27 Shelley |
| 6 Chipping Ongar, Greensted and Marden Ash | 17 Loughton Forest | 28 Theydon Bois |
| 7 Epping Hemnall | 18 Loughton Roding | 29 Waltham Abbey High Beach |
| 8 Epping Lindsey and Thornwood Common | 19 Loughton St John's | 30 Waltham Abbey North East |
| 9 Grange Hill | 20 Loughton St Mary's | 31 Waltham Abbey Paternoster |
| 10 Hastingwood, Matching and Sheering Village | 21 Lower Nazeing | 32 Waltham Abbey South West |
| 11 High Ongar, Willingale and the Rodings | 22 Lower Sheering | |

APPENDIX 3 – ACTION PLAN

Objective	Priority	Work to be Done	Resources Required	Target Date	Indicator(s) of Outcome Achieved/Performance Measure
1. Nominated Lead Officer for Empty Homes	High	Recruit additional staff to Environmental Health group.	Additional staffing costs £19,000.	December 2006	Additional staff in place and Lead Officer nominated.
2. Information to be posted on Council website and published in the Forester magazine	High	Draft web page and links. Draft article for Forester magazine.	Time input from Principal Team Leader Environmental Protection, Residential Control Unit /IT staff.	September 2006 December 2006	Web pages accessible and article published.
3. Relevant non Environmental Health staff to report empty homes	High	All relevant staff to be informed of new Strategy and importance of reporting problem empty homes. Reporting arrangements to be clear.	Time input from Principal Team Leader, Environmental Protection, Residential Control Unit.	September 2006	All staff notified.
3. Finder's Fee Scheme	Medium	New procedures including validation of letting period, publicising scheme	£5,000 per annum starting 2006/07, time from Environmental Health group staff and Housing staff.	April 2007	Finder's Fee Scheme procedures in place and publicised.
4. GO-East funded initiative for renovation of substandard empty homes (in partnership with 4 other local authorities)	Medium / Long	Complete tendering for contractors to carry out renovation works, agree working arrangements with partners, agree leasing and nomination arrangements, select and renovate first properties.	Capital funding provided by successful bid to GO-East. Time input from Principal Team Leader and Residential Control Unit staff.	September 2007	First properties renovated and let to nominated tenants.
5 Council Tax reduction to 50% after 6 months empty, reduced to 0% after 12 months empty.	Medium	Alteration of procedures, publicity for changed arrangements, Council tax demands for revised amounts from April 2007.	Time input from Finance staff.	April 2007	New discount arrangements in place.
6. Empty Homes Grants	High	Introduce procedures and documentation to implement	Time input from Principal Team Leader and	October 2006	Grant procedures, documentation and leaflets introduced.

		new grant. Publicise availability.	Residential Control Unit.		
7. Increased enforcement options	High	Guidelines and procedures developed for additional enforcement options (part done)	Time input from Principal Team Leader.	September 2006	New guidance and procedures in place, staff able to use additional options in appropriate circumstances (part in place)

APPENDIX 2: Miscellaneous Legal Powers

Problem	Legislation	Power
Dangerous or dilapidated buildings or structures	Building Act 1984, Sections 77 and 78	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)
	Part I, Housing Act 2004	To require the owner to take the most appropriate course of action in respect of deficiencies that could affect the health and safety of future occupants and visitors and passers by.
Unsecured properties (if it poses the risk that it may be entered or suffer vandalism, arson or similar)	Building Act 1984, Section 78	To allow the Local Authority to fence off the property
	Local Government (Miscellaneous Provisions) Act 1982, Section 29	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	Local Government (Miscellaneous Provisions) Act 1976, Section 35	To require the owner to rectify obstructed private sewers
	Building Act 1984, Section 59	To require the owner to rectify blocked or defective drainage
	Public Health Act 1961, Section 17	To require the owner to rectify defective drainage or private sewers
Vermin (if it is either present or there is a risk of attracting vermin that may detrimentally affect people's health)	Public Health Act 1961, Section 34	To require the owner to remove waste so that vermin is not attracted to the site
	Prevention of Damage by Pests Act, Section 4	
	Public Health Act 1936, Section 83	
	Environmental Protection Act 1990, Section 80	
	Building Act 1984, Section 76	
Unightly land and property affecting the amenity of an area	Public Health Act 1961, Section 34 (see above)	To require the owner to remove waste from the property
	Town and Country Planning Act 1990, Section 215	To require the owner to deal with unsightly land or the external appearance of a property
	Building Act 1984, Section 79	To require the owner to take steps to address a property adversely affecting the amenity of an area through its disrepair