

Empty Homes Policy

2021

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1.0 Introduction

- 1.1 Making best use of existing homes is a key objective in Cambridge City Council's Housing Strategy. There is a shortage of residential accommodation available in the City as housing demand outstrips housing supply quite significantly.
- 1.2 Empty homes are a wasted resource and can have a detrimental impact on neighbourhoods and the environment. They can become an eyesore that may also cause problems for neighbours. Empty homes can quickly fall into disrepair and become magnets for antisocial behaviour and vandalism.
- 1.3 With housing and land in short supply in Cambridge, and with ever increasing house and rental prices, it is necessary to ensure that empty homes do not remain empty unnecessarily.

Considering this it is important that all homes in Cambridge are occupied as soon as possible. Cambridge City Council offer support and assistance to empty homeowners to help them bring their property back in to use. The City Council also has recourse to enforcement action in cases where it is necessary.

2.0 What is the definition of an empty home?

- 2.1 Any property that has been empty for 6 months or more is considered a 'long-term empty home'. Properties can include single-family dwellings, HMOs, flats, and accommodation located above commercial premises.
- 2.2 Empty homes that come to the Council's attention will be assessed and an investigation carried out to understand the underlying reasons for it remaining unoccupied. This will include sending correspondence to the registered owner of the property, consulting with other Council departments, the neighbours in the immediate area, and any other relevant parties.

3.0 Reasons why properties remain empty.

In most cases this is because the owners need assistance, support, information, or encouragement to help return empty homes to use. Although there are numerous other reasons that properties remain empty including:

- Financial.
- Reluctance to let/sell.
- Repossession or abandonment.

- Health issues, long term care or hospitalisation.
- Requires renovation and/or building work.
- Probate, estate, or legal ownership issues.
- Inaction of owners.
- Owners are unable to let/sell.
- Lack of awareness of support options.

This list is not exhaustive, and the reasons can vary in severity. It is important, therefore, that Cambridge City Council is able to give the appropriate level of support to those who need it on a case-by-case basis.

4.0 The impact of empty homes

Empty homes represent a wasted resource and can cause problems for the owner and the surrounding neighbourhood. If left empty properties can:

- Fall into disrepair, and/or become ruinous or dilapidated.
- Become an eyesore in neighbourhood.
- Attract vandalism, anti-social behaviour, and crime.
- Leaving a home empty increases the risk of vandalism and crime, making the property more costly to insure empty, if it can be insured at all.
- Cause damage to adjacent properties, and possibly health issues for neighbours through lack of maintenance.
- Reduce the value of the surrounding properties.
- Lose value.
- Become costly to maintain, and a loss of potential income.
- Increase in Council Tax charges.
- Unsightly properties can often deter investment in an area, which can lead to decline.

This list is not exhaustive.

5.0 The benefits of bringing empty homes back into use.

There are significant advantages for property owners as well as those living nearby, these include:

- Providing accommodation for others to use thereby contributing to ameliorate the housing supply.
- For the owners: It unlocks potential capital if the property is sold; it will produce rental income if the property is let and there is the potential for an increase in property value.
- For local residents: it reduces the opportunities for vandalism, fly tipping and antisocial behaviour in all its forms.
- For the local economy: bringing an empty home back into use can contribute to the regeneration of an area, increasing spending in the local economy and helping to protect the value of surrounding properties.
- For the wider community: returning properties back into use may reduce demands on services such as the Police, Fire, and the Council to deal with the associated problems.

6.0 Aims

The aims of this Empty Homes Policy are to introduce measures that will:

- Return long-term empty homes back into use.
- Make positive improvements to housing conditions and to the local environment.
- Increase the amount of suitable housing available in the City.

7.0 Objectives

The objectives of this Empty Homes Policy are to:

- Return a target number of empty homes to use annually.
- Raise public awareness of the Council's approach to empty homes and the importance of reporting them to the Council.
- Find and contact the owners of empty homes.
- Provide positive support and assistance to owners and people within the city affected by empty homes.
- Be proactive through enforcement action where owners are unable or unwilling to return property to use, in line with the City Council's enforcement policy.
- Increase the availability of affordable housing.
- Understand whether there is an issue with new-build homes being bought and left standing empty, and whether our approach in this area is currently the right one.

The Council will treat empty homes owned by the Registered Providers of Affordable Housing in the same way as other Private Sector Landlords.

Empty Homes that are owned by the Council fall out of the scope of this Policy and are referred back to City Homes, the City Council Landlord.

8.0 National Perspective

8.1 According to the Ministry of Housing, Communities & Local Government (MHCLG) in 2020 there were 268,385 long-term vacant properties, with Cambridge at 327 (long term refers to properties empty for longer than 6 months)

9.0 Local Perspective

9.1 Part of the council's vision states that Cambridge is 'A city which strives to ensure that all local households can secure a suitable, affordable local home, close to jobs and neighbourhood facilities.

The current population of Cambridge is 125,758, and it is predicted that by 2036 the population will reach 155,250. The average house price in the city is £510,000. The median house prices are 9.9 times median earnings. High house prices are an indication of housing need.

9.2 The need for housing in Cambridge is high. The Cambridge Local Plan of 2018 identified the need for 14,000 new homes between 2011 and 2031. This is a 29% increase in dwellings from 48,000 in 2011.

9.3 In March 2021 there were 1,923 banded applicants on Homelink Register with a 'live' status, Homelink is the register for social housing applications. The number of social housing let during 2020/2021 was 534.

9.3 The average rent in Cambridge in 2019/2020 is £1,218.

9.4 The City Council's annual statement 2019/20 outlines how we wish to achieve this vision by tackling the city's housing crisis.

This illustrates the ever-increasing pressure to provide affordable housing in the City, and for the Council to continue to pursue the best use of all existing properties within the City.

10.0 Identification and contact

10.1 The Council's initial step in dealing with an empty property is to identify and locate the owner of the empty home. We use various methods to do this:

- Liaising with other Council departments.
- Land Registry
- Local knowledge
- Tracing agents

10.2 The Council will write to empty homeowners requesting information on the property and offering advice on returning the property to occupation.

11.0 Options that can be used to bring an empty home back into use

The Council can offer a range of services to give the best support and advice possible to empty homeowners and neighbours:

11.1 Informal advice and assistance

The Council will always seek to provide relevant and helpful advice and assistance to bring empty homes back into use. Initial contact will always be informal providing written advice and information to the owner outlining the options available to them. This will include establishing why the property is vacant and what needs to be done to bring it back into use; as well as how we can help the owner return it to use within a reasonable timescale.

The Empty Homes Officer follows the empty homes procedure. This lays out an internal process to assist them to investigate, assess and prioritise known and newly reported empty homes. The Empty Homes Officer will also make an assessment following contact with the property owner as to their personal circumstances, and how these might impact on the steps they can take with regards to bringing their empty home back into occupation.

11.2 Reduced-rate VAT for the renovation or alteration of empty homes.

When a property has been empty for at least two years immediately prior to renovations commencing it may be eligible for reduced rate VAT. The Empty Homes Officer can assist in obtaining a letter that confirms the property has been empty for the required two-year period for the owner to present to HMRC requesting a reduced rate of VAT on any renovation works to be carried out. The reduced VAT rate is subject to the builders offering this service, and to the renovations meeting a certain criteria.

11.3 Referral to Town Hall Lettings (THL)

We work jointly with THL to support owners of empty properties in returning their homes to occupation. THL offers a comprehensive property management service which includes any minor renovation and refurbishment needed to bring homes up to standard.

To encourage owners without the resources to bring their properties up to a lettable condition, the housing advice service can offer grants and loans or a combination of both:

- Grants will generally be made when a relatively small sum is needed to make a property safe – for example to provide fire doors or smoke detectors – or to achieve a good standard of decoration. Grants may also be made for window and floor coverings and other industry-standard fitments.

- Loans may be available to help finance more expensive renovation work, with the amount and period of repayment tied to the anticipated rental income.
- Whether a loan or a grant, in most cases owners will be expected to enter into an agreement under which the Council will nominate suitable tenants for an agreed period. For owners who don't want to manage the tenancy themselves, our social lettings agency, Town Hall Lettings, can take on management responsibilities for a competitive fee.

Bringing back into use an empty property that can then be let to people in housing need has a triple benefit:

- An empty property is brought back into use.
- A household in need of a home gains accommodation.
- The owner gains a rental income.

The Council will promote outcomes of this kind whenever possible.

11.4 The Council will signpost owners to services such as:

- The Council's Town Hall Lettings who can offer advice about renting out their properties. www.cambridge.gov.uk/town-hall-lettings
- Local charities looking to lease empty properties.
- We can also direct owners to local Auction houses & estate agents who can assist with the selling of their home.
- The City Council's leasehold services in cases where the property was previously a Council property where the owner had previously exercised their Right to Buy and now want to sell.

12.0 Enforcement options

The following enforcement powers are available to the Council. These powers will only be used as a last resort. The Council aims to bring empty homes back into use via informal means, through working with the property owner and supporting them where needs be. Enforcement action will be used in cases where it has become the only way forward.

12.1 Dealing with dangerous buildings

The Building Act 1984 allows Local Authorities to deal with buildings that it considers to be dangerous. The Council can apply to the Magistrates' Court for an order requiring the owner to make the building safe or demolish it. If the owner fails to comply, the Council can carry out the works in default.

12.2 Derelict and Ruinous Buildings and Structures

Provisions contained in Section 79 of the Building Act 1984 enable the council to take action against building owners who neglect their buildings allowing them to become ruinous and dilapidated. It empowers a local authority to serve

notice requiring the building owner to either execute works of repair and restoration or if the owner chooses to, demolish it.

The qualifying criteria for action to be taken on derelict buildings are that in the opinion of the local authority they are ruinous and dilapidated and detrimental to the amenities of the neighbourhood. Evidence of 'ruin and dilapidation' relates to the building's condition whilst 'detriment to amenity of the neighbourhood' is a subjective judgment relative to the detrimental impact it has on the neighbourhood usually underpinned by the number of complaints it generates.

The owner can appeal against the notice within 21 days but only on specified grounds. If works in default are undertaken a local land charge is put on the property against all titles and could lead to enforced sale in extreme circumstances

12.3 Section 215 of the Town and Country Planning Act 1990

This legislation gives the Council a power, in certain circumstances, to take steps requiring land to be cleaned up when its condition adversely affects the amenity of the city. Action can be taken against land and buildings including empty homes.

Amenity is a broad concept and there must be sufficient evidence that the amenity of that part of the area is being suitably affected by the condition of neighbouring land and buildings to justify service of a notice. A notice must be clear, concise, and unambiguous.

If a notice is successfully appealed at the Magistrates' Court reasonable costs can be awarded against the council. Failure to comply with an enforcement notice may result in enforced sales procedure being undertaken.

12.4 Enforced sale

This is the procedure that allows Local Authorities to recover charges incurred following non-compliance with a notice after they have done works in default for example failing to comply with a S.215 Planning Notice.

The power gives local authorities the right to require a house to be sold to recover the money they are owed if the owner fails to repay the charge for works in default. If the owner does not pay for the works in default the charge is secured as a local land charge. Once the charge is in place the local authority can pursue the enforced sale without further legal recourse.

12.5 Compulsory Purchase Orders (CPO)

Compulsory Purchase Orders are used as a last resort, when all attempts to engage with the owner of the property and support them in returning their empty home to use have not resulted in the property returning to occupation, and when there appears to be no other prospect of the property being brought back into residential use.

The city council first and foremost encourage the owner to restore the property to full occupation. However, cases may arise where the property may be causing nuisance to the neighbours and the owner cannot be traced or will not engage with the city council, therefore use of compulsory purchase powers may be the only way forward.

A CPO can only proceed when it has received the approval of the Secretary of State. When considering the application, the Secretary of State will want to know how long the property has been vacant, what steps the local authority has taken to encourage the owner to bring it back into use, what the outcome of this has been, what the owner has done towards returning the property to occupation.

12.6 Empty Dwelling Management Orders (EDMOs). Revised

EDMO's are applicable once the property has been empty for two years and in cases where the property has been the source or cause of anti-social behaviour or is having a significantly adverse effect on the community, and where owners are unwilling to take action. The Council will have to serve a three month notice on owners that they intend to apply for an interim EDMO in the first instance.

An EDMO allows the local authority to take management control of an empty property for up to 7 years, carrying out any necessary repairs and arranging for the property to be rented out during this period.

The owner retains ownership and the right to sell the property. Following repayment of management and refurbishment costs the owner is entitled to the surplus income made during the rental period.

12.7 Other Statutory Powers. Revised.

All empty properties undergo an external assessment by the Empty Homes Officer. Internal inspections may be carried out under the Housing Act 2004 Housing Health & Safety Rating System (HHSRS) to ascertain whether there are any Category 1 hazards present. The Housing Act 2004 places a duty on local authorities to act when the most serious Category 1 hazards are identified.

The authority has the option to serve Improvement Notices requiring the owner to carry out the necessary works to remedy defects, which will reduce the hazards to an acceptable level.

If the owner fails to comply with a notice, the authority can arrange for the works to be carried out in default, the costs are the responsibility of the owner of the property. Costs which remain unpaid by the owner are registered as a local land charge against the property and may count in the subsequent sale of the property. The City Council is also able to apply to the court for enforced sale of the property to recover any unpaid costs.

13.0 Review of Empty Homes Policy

This document was first published in March 2012, it was reviewed in November 2017 and has been reviewed again in September 2021.

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