



**BEDFORD**  
BOROUGH COUNCIL

# Empty Homes Strategy 2013-2017

# **Bedford Borough Council Empty Homes Strategy 2013-2017**

## **Contents**

<b>1. Introduction</b>	<b>3</b>
<b>2. Background and Key Issues for the Borough</b>	<b>8</b>
<b>3. Action to Bring Empty Homes back into Occupation</b>	<b>19</b>
<b>4. Aim and Objectives</b>	<b>27</b>
<b>5. Action Plan</b>	<b>31</b>

## 1. INTRODUCTION

- 1.1 Bedford Borough Council's Empty Homes Strategy is an important element of the Council's overarching Housing Strategy along with other Strategies and policies for preventing homelessness, allocations and tenancies and private sector housing. This Empty Homes Strategy was adopted by the Executive of Bedford Borough Council on 10<sup>th</sup> July 2013

*'For every two families needing a home, there's a property standing empty - properties that, all too often, attract squatters, vandalism and fly-tipping'.* Communities Minister Andrew Stunell

### **What is an empty home?**

- 1.2 An empty home is a residential property or dwelling that has been left empty and unoccupied for at least 6 months. The Council identifies for action residential properties that have been empty for 12 months or longer.

### **Why do properties become empty?**

- 1.3 Most empty homes in Bedford Borough are privately owned. At April 2012 almost 96% of all empty properties that have been empty for 6 months or longer were privately owned properties. Many properties are empty following the death of the owner or as a result of the owner moving into care. In a number of cases the owner lacks the funds or the skills to repair and manage the property to bring it back into occupation. There are however, a number of owners who express no desire to bring the property back into use and are willing to allow it to remain empty.
- 1.4 Some properties are empty due to 'buy to leave'. This is where new residential properties remain empty as a result of the developer or new owner neither selling nor letting them in the hope of securing a better return. Government research has suggested that this is relatively uncommon and is most likely to be encountered in developments of new flats in major cities. Since the credit crunch in 2007 there are some new housing developments in Bedford where flats have remained vacant for considerable periods.

### **Benefits of bringing empty properties back into use**

- 1.5 Taking targeted action to bring empty homes back into use helps tackle a number of social, economic and public health issues. The following benefits flow from bringing empty homes back into use:

#### **For the Owner**

- 1.6 By bringing an empty home back into use an owner can benefit in a number of ways. If an empty home is sold the owner will receive capital income. If the property is let on the rented market, the owner would receive a regular monthly income. Leaving a home empty increases the risk of vandalism and crime, making the property costly or difficult to insure and leaving the owner vulnerable to losing their asset completely if it is destroyed by fire. Leaving a property vacant is often associated with a lack of maintenance. The fabric of the building will deteriorate without regular maintenance which will reduce the value of the property.
- 1.7 Empty properties can often attract squatters. Squatting is when somebody enters and lives in a property or on land without the permission of the owner or the person legally entitled to occupy it (for example a tenant). Squatting in a residential property is now a criminal offence. Squatters can be arrested by the police and if convicted by a court can be sent to prison, fined or both.

#### **For people who need a home**

- 1.8 Bringing empty homes back into use helps meet the Borough's housing need. Long term empty homes are a wasted resource, especially as the Council has identified a need for 200 affordable houses each year. Bringing empty homes back into use increases the amount of decent housing which is required to help reduce homelessness and reduce the requirement for temporary accommodation.

### **For Local Residents**

- 1.9 Bringing an empty home back into use will significantly reduce the opportunities for vandalism, fly tipping and anti-social behaviour. Unsightly homes can have a depressive effect on neighbouring house prices and also reduce pride in the community, as well as having a direct impact on adjoining homes through dampness and structural problems. The built environment will be improved helping to maintain safe, attractive neighbourhoods.

### **For The Local Economy**

- 1.10 Bringing an empty home back into use encourages economic vitality and can increase spending in the local economy. Unsightly homes deter investment in an area and can lead to decline or area blight.

### **For The Wider Community**

- 1.11 Removing the negative impact of empty properties helps to boost the well-being of communities. Reduced demand on services such as the Fire and Rescue Service, the Police and Council Services such as Environmental Health means that resources can be used more effectively elsewhere

### **Why have an Empty Homes Strategy?**

- 1.12 The Council can take action or provide advice and assistance which in turn can make a positive contribution to the overall health and well being of local residents and the community.
- 1.13 By producing an Empty Homes Strategy the Council can show that it has a targeted, effective and coordinated approach to tackling the problem of empty homes and that it has researched and identified the most effective solutions to meet local housing need.

### **Consultation**

- 1.14 This Strategy was the subject of consultation with key stakeholders and members of the community between 25th March and 20<sup>th</sup> May 2013.

## **Equality Analysis**

1.15 The Empty Homes Strategy has been Equality Assessed and it has been determined that it has a mildly positive impact on equality.

Note for Owners:

All conversions of single dwellings to flats require Planning Permission

Single storey rear extensions (max height 4 metres) are normally permitted without the requirement for Planning Permission; by up to 3 metres for semi-detached and terraced houses and up to 4 metres for detached houses

However, changes introduced in May 2013 mean that single storey rear extensions (max height 4 metres) may now be permitted without the requirement for a Planning Permission; by up to 6 metres for semi-detached and terraced houses and up to 8 metres for detached houses but there is a prior approval procedure for those benefitting from the new tolerances. Please contact the Council's Planning Department for further details.

When considering any proposals to re-develop, re-configure or extend empty homes, consideration needs to be given to flood risk. A Flood Risk Assessment may be required to demonstrate that any proposed works do not negatively impact on flood risk. Further information can be found at <http://www.communities.gov.uk/publications/planningandbuilding/improvingflood>.



***Empty Properties can attract fly tipping and vermin. They affect the whole neighbourhood and community.***

## **2. BACKGROUND AND KEY ISSUES FOR THE BOROUGH**

### **The National Picture**

- 2.1 710,000 empty homes are currently empty in England, according to the homes from empty homes statistics<sup>1</sup>. Of these, 259,000 have been empty for more than 6 months. Empty homes account for approximately 3% of the total housing stock in England.
- 2.2 Bringing empty homes back into use is a priority for the Coalition Government. The Government published its Housing Strategy in November 2011 of which an important part is its strategy for tackling empty properties. The Government has made tackling empty homes a priority within the Affordable Housing Programme with specific allocations targeted at bringing empty homes back into use
- 2.3 Public concern about empty properties was highlighted by a 2012 Channel 4 series 'The Great British Property Scandal' focusing on empty properties. The series encouraged members of the public to report empty properties locally and the Channel 4 website provided links to key contacts at each Local Authority. Over 100,000 people have registered nationally to support the campaign. A number of comments were received in response to the series, all of which have been considered.
- 2.4 The National Planning Policy Framework encourages Councils to use their CPO powers to bring empty properties back into use. It says (paragraph 51):

*"Local planning authorities should identify and bring back into residential use empty housing and buildings in line with local housing and empty homes strategies and, where appropriate, acquire properties under compulsory purchase powers".*

### **Government's Empty Homes Strategy**

- 2.5 The Government's Strategy for empty homes is set out in 'Laying the Foundations: A Housing Strategy' published in 2011. It states that the Government is committed to bringing empty homes back into use as a means of increasing the overall supply of housing and reducing the negative impact that neglected empty homes can have on communities.

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<sup>1</sup> <http://www.emptyhomes.com/statistics-2/>

## 2.6 Actions set out in the strategy are:

- Awarding the New Homes Bonus for empty homes brought back into use. New Homes Bonus is paid to Local Authorities to match fund the Council Tax receipts for a period of six years (the level of funding is based on the national average for each Council Tax band).
- Providing an 'Empty Homes Toolkit' available on the Homes and Communities Agency website.
- Providing practical advice to local authorities and local community groups to help them to address empty homes.
- Using £100 million of the Affordable Housing Programme to fund bringing empty properties (including non-residential properties) into use as affordable homes.
- The Government has given Council Tax billing authorities the discretion to levy an 'empty homes premium' of up to 50% in addition to the normal Council Tax payable from 1 April 2013. The premium may be imposed once a property has remained vacant, that is unoccupied and substantially unfurnished, for two years.
- Proposed changes to Empty Dwelling Management Orders limit their use to properties which have been empty for over two years. Their use will be restricted to properties that can be shown to have caused a nuisance. Local Authorities will have to demonstrate that there is community support for the proposal.

## **The Local Picture**

- 2.7 The Empty Homes Strategy is also linked to Bedford Borough Council's Corporate Plan 2012-16 through the objective of achieving an integrated approach to housing.
- 2.8 Bedford Borough is a mix of both urban and rural areas. The mid-year estimate for 2011 indicates that the population of Bedford Borough was 157,840. Initial estimates are that the population will increase to 170,000 by 2021.
- 2.9 The Housing Strategy 2012 - 2017 which has been adopted by the Council sets out the broad context and the housing priorities for the Council.
- 2.10 The Housing Strategy includes the following Key Actions:
- Develop an Empty Homes Strategy
  - Bring empty properties back into use.
  - Continue to complete Compulsory Purchase Orders where appropriate (subject to budget limitations).
  - Work with Registered Provider partners to bring empty homes back into use.

## **Housing Need in Bedford**

- 2.11 There were 3,388 households on the Housing Register at 31 March 2013 including 502 tenants requiring transfers. The number of households on the Housing Register is increasing whilst the supply of affordable housing is not meeting this demand.
- 2.12 In 2012/13 353 homelessness decisions were made (compared to 337 2011/12). Of these, 242 were duty accepted as being homeless (compared to 211 in 2011/12). 389 households were prevented from being homeless (compared to 331 in 2011/12)

through either being helped to remain in their existing accommodation, finding alternative accommodation or having their homelessness relieved.

2.13 At 31 March 2012, there were 59 tenancies with the Tenancy Deposit Guarantee Scheme (TDGS) (compared to 207 in 2011/12). The TDGS is a Council run scheme that aims to increase access to private rented accommodation for people on low incomes. The scheme ensures that properties meet the standards required by law, introduces landlords to potential tenants who are in housing need and looking for accommodation and guarantees a deposit to the value of one month rent. TDGS is a means to bring empty properties back into occupation where owners wish to let their property. 50 new tenancies were created during 2011/12 which compares to 91 tenancies that were created in 2010/11.

2.14 Land Registry figures for Bedford show that the average house price in January – March 2013 was £151,125. The breakdown of average property prices by property type can be seen in the table below.

Table 1: Average house prices

<b>Average House Prices in Bedford March 2013</b>	
Detached	£290,785
Semi-detached	£157,870
Terrace	£126,302
Flat	£ 80.708
Overall Average House Price	£151,125

*Source: Land Registry*

2.15 Affordability remains a key problem for many households in the Bedford Housing Market. The ratio of lower quartile house price to lower quartile earnings in Bedford in 2011 was 7.44 (Source CLG Live Table 576). The average loan-to-value of loans to first time buyers in the UK in March 2013 was 80% (Source Council of Mortgage Lenders)<sup>2</sup>

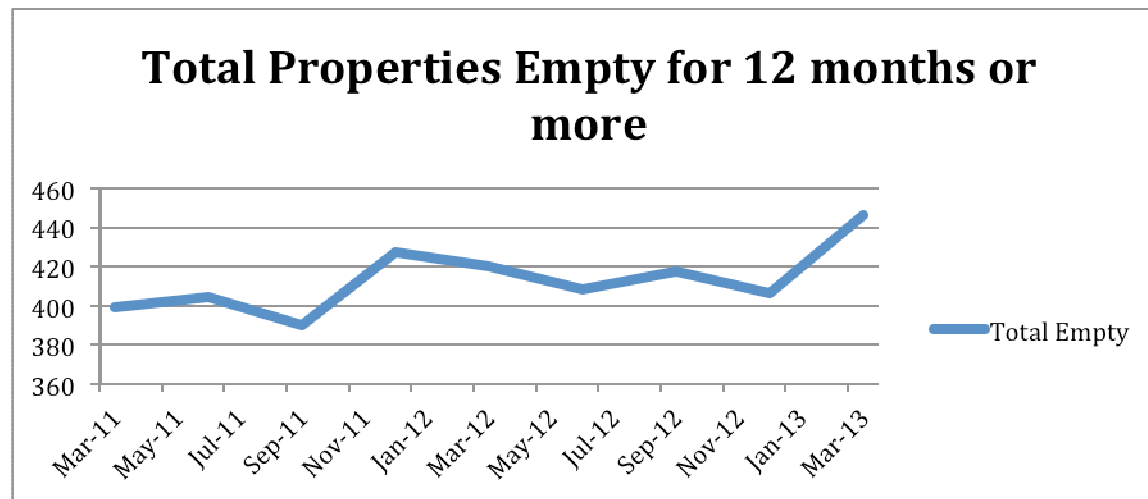
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<sup>2</sup> <http://www.cml.org.uk/cml/media/press/3524>

## EMPTY HOMES IN BEDFORD BOROUGH

2.16 . At March 2013 the number of empty properties in Bedford Borough stood at 826 of which 446 had been empty for 12 months or longer and are long-term empty properties. This compares to 870 empty properties in April 2012, of which 429 had been empty for 12 months or longer. Figure 1 shows an upward trend in the number of long term empty properties over a two year period to March 2013.

**Figure 1: Total Empty Properties that have been empty for 12 months or more**



2.17 Table 2 shows the length of time that long-term empty properties have been empty at March 2013.

2.18 There were 35 properties that had been empty for over 10 years.

2.19 The number of long-term empty properties empty for 1-3 years has consistently formed the highest proportion of long-term empty properties. These properties are often empty due to the owner being in care, the property being in probate, the owner lacking funds to complete the necessary works required to return it into occupation or delays in the sale of the property.

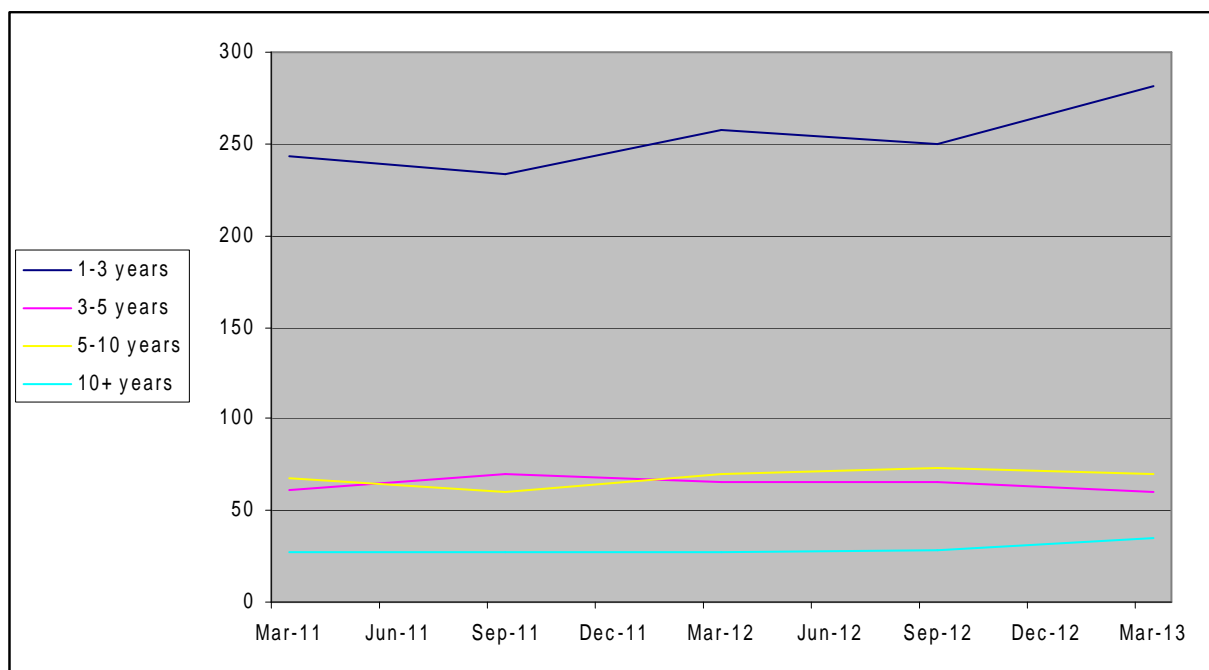
**Table 2: Length of time long term empty properties have been empty**

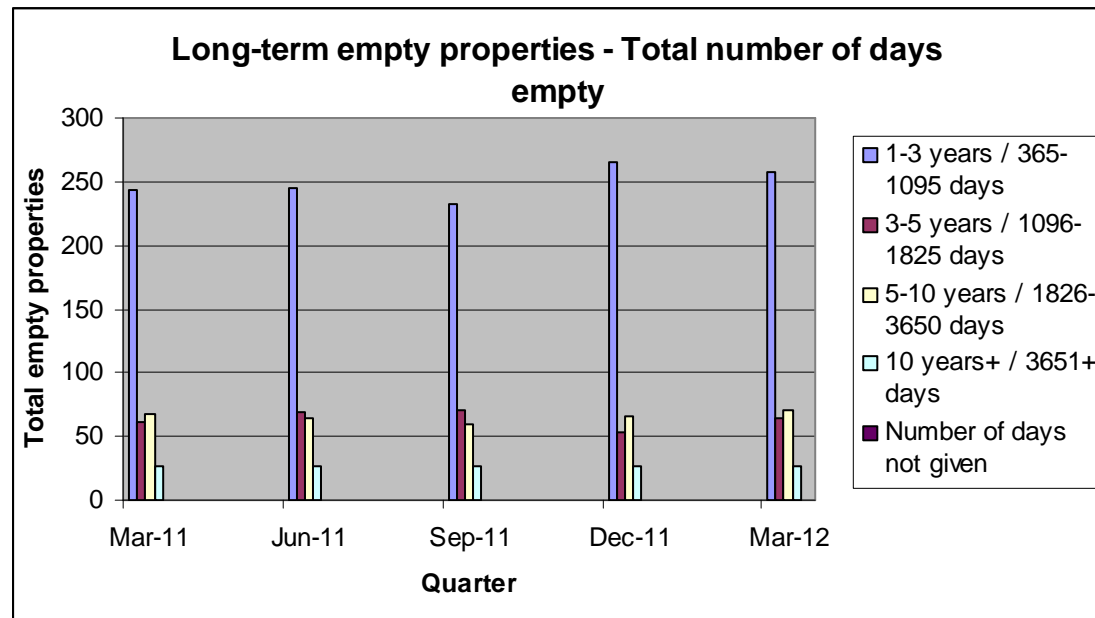
<b>Number of years empty</b>	<b>Mar-13</b>
1-3 years	281
3-5 years	60
5-10 years	70
10 years+	35
<b>Total</b>	<b>446</b>

2.20 Figure 2 shows the trend in the length of time properties have remained empty over a two year period to March 2013

2.21 The breakdown of the trend shows that the number of longer-term empty properties has not altered significantly. The increase has come from properties empty for between 1 and 3 years and reflects the cumulative impact of the recession on the housing market. The number of properties empty over 3 years, over 5 years and over 10 years has remained constant. The current total for properties empty for over 3 years is 165. This data suggests that the properties empty for 1-3 years are influenced by market trends but that c165 properties empty for more than three years are much less influenced by market factors and might be the most appropriate focus of intervention.

**Figure 2: Trend in length of time that long term empty properties have been empty**





2.22 Table 3 shows a breakdown of the properties that were empty for 12 months or more and the reasons for this at April 2012. 80% of long term empty properties are either unoccupied and furnished or unoccupied and unfurnished and are the properties that the Council focuses its resources on.

2.23 Almost 10% of long term empty properties are empty due to the liable person being in care and 5% are awaiting probate.

**Table 3: Long term empty properties and the reasons for this**

<b>Reason for being Empty</b>	<b>Number of Properties</b>
Liabe person in a care home	41
Occupation prohibited	7
Awaiting Probate	21
Probate Granted	1
Unable to let separately	9
Repossession	1
Unoccupied and unfurnished/unoccupied and furnished	340
<b>TOTAL</b>	<b>420</b>

2.24 Almost 96% of the long-term empty homes are private sector properties and so the majority of the Council's time is spent tackling the private sector property owners to offer advice and support to reoccupy the properties.

2.25 Bedford Borough Council monitors empty homes using 4 metric indicators. These are monitored on a quarterly basis and are as follows:

M56a (Housing)	Number of Empty Homes (empty for more than 6 months)
M56b (Housing)	Number of Empty Homes (empty for more than 12 months)
M56c (Housing)	Number of Empty Homes (empty for more than 2 years)
M57 (Housing) (Formerly BVPI64)	Vacant dwellings retuned to occupation or demolished

## Good Practice

2.26 Bedford Borough Council has continued to follow the good practice as set up by the East of England Empty Homes Task Group that Bedford Borough Council signed up to in 2007. This 10 point good practice plan is set out below:

- *Have a corporate commitment to tackling empty homes*

This is expressed in the Housing Strategy that has been adopted by the Council

- *Have a lead officer with responsibility for empty homes*

Whilst the Council does not have a dedicated Empty Homes Officer, the Housing Strategy Officer has been identified to lead on this work and ensure that the action plan is implemented

- *Consider the benefits of a wider sub-regional and/or multi partner approach to tackling empty homes*

The Council works with the HCA and with Registered Providers. It is currently working with Aldwyck Housing Association. Aldwyck Housing Association's successful bid to the HCA for funds addressed empty properties in both Bedford and Luton for the period 2012-2015.

- *Have a tool kit of options*

The range of options available to the Council is set out in the strategy document

- *Have a method for identifying, recording and keeping up to date a list of empty properties*

The Council routinely identifies records and maintains a list of empty properties

- *Have a clear strategy for tackling empty homes*

The strategy is set out in this document

- *Have a clear framework for communications with owners*

The core framework is of three letters sent in a sequence as required as set out in this strategy

- *Have a clear framework for communicating with the public, partners and stakeholders*

The Housing Strategy was the subject of public consultation including consultation with the Council's partners and stakeholders. This strategy has also been the subject of consultation. The Council supports and services the Bedford Housing Partnership

- *Have clear targets for bringing empty properties back into use*

The Council sets a target annually for prioritising its resources and bringing empty properties back into use

- *Ensure links to other strategies at a regional and local level*

The National Housing Strategy has been referenced in this document. The Government's Empty Homes Toolkit has been considered in the preparation of this Strategy. The toolkit is designed to be useful for a wide range of audiences - from property owners, and concerned neighbours, to Council officers and local councillors, who have a front-line role in helping and enabling their communities to tackle many of the challenges posed by empty properties. It provides advice and information on all the important aspects of returning an empty home into use including what is an empty home and how they can be returned into occupation. The Government's recognition that Councils have a role and have legal powers to bring empty homes into use is welcome but it is important that the Council considers the measures that are particularly appropriate to Bedford Borough.

### **3. ACTION TO BRING EMPTY HOMES BACK INTO USE**

3.1 There are a number of ways empty properties can be brought back into use. Some of these are listed below:

#### The 3 standard letter approach

3.2 The Council has 3 standard letters which are sent to owners of empty properties.

- The first letter is sent as the property becomes empty for 12 months and offers details about how the Council can help the owner to bring the property back into occupation and asks if there is a reason why the property is empty and what the owner's plans are.
- The second letter reinforces the above and makes clear that the Council does have enforcement powers to bring empty properties back into occupation. It requests the owner to make contact with the Council.
- The third letter is a much more forceful letter saying that the Council will consider enforcement action to Compulsory Purchase the property. It is sent if no contact has been received from the owner or nothing has been done to return the property back into occupation.

Approximately 17% of letters are responded to. A range of responses are usually received which include:

- The property is for sale or recently sold
- The property is/about to undergo renovation
- The owner wishes to receive advice about what to do with the empty property
- The owner wishes to rent the property and is enquiring about the Tenancy Deposit Guarantee Scheme
- The owner is interested in an Empty Homes Loan
- The property is actually occupied

### Environmental Health and Planning Powers

- 3.3 Through Environmental Health and Planning powers the Council can require owners to carry out repairs to long-term empty properties that have become dangerous or are causing a nuisance to neighbours.

### Enforcement Powers

#### *Planning enforcement powers*

- 3.4 Councils can require that the visual appearance of a run down property is improved by the owner through enforcing Section 215 of the Town and Country Planning Act 1990 where the property may be a detriment to the community.

#### *Environmental Health enforcement powers*

- 3.5 The Council's Environmental Health team are able to serve notices on empty properties if they are insecure or have issues with rubbish. This encourages owners to clear up their properties and reduce the risk of squatters however the property will still remain empty and further input is required to ensure it is brought back into occupation.
- 3.6 Where there is a rodent infestation or risk that one might arise, the Council can require the owner to secure the property. Most Councils use the Local Government Miscellaneous Provisions Act 1982, but it is also possible to use powers under the Environmental Protection Act 1990 if the Council consider that there is a statutory nuisance. It is also sometimes possible to use the Prevention of Damage by Pests Act 1949 to require that empty homes are secured to prevent or remove rodent infestations.
- 3.7 The Council can also require empty properties to be boarded up to prevent unauthorised entry using powers in the Local Government (Miscellaneous Provisions) Act 1982 However, if the Council carries out works in default under this legislation they are not able to register the debt against the property.

### Empty Homes Loans

- 3.8 Owners of empty properties may be able to access loans of about £10,000 from the National Empty Homes Loan Fund, operated by the charity Empty Homes. The Fund is available to eligible owners of empty properties in England. The loan will be repayable over a period of 5 years. It will be made with a condition to the owner that affordable rent is charged for the first five years (this means that rent will be capped at 80% of the market rent). At the time of writing the scheme is being piloted in Merseyside and Northumberland. Further information is available from [info@emptyhomes.com](mailto:info@emptyhomes.com)
- 3.9 Empty Homes Loans have previously been funded from the Discretionary Grants and Loans budget held by the Home Improvement Team. The loans were typically up to £20,000 and are linked to a nomination agreement to allow the Council to nominate the tenant to the repaired home. This would only apply to properties that had been empty for at least 12 months. A condition of the loan was a 5 year nomination agreement through the Council's Tenancy Deposit Guarantee Scheme. The Council reviewed its Private Sector Assistance Policy in July 2012. As part of this review, loans are no longer available to landlords to improve their properties. However under the terms of the policy a landlord can still apply to the Council for assistance if there are extenuating circumstances. One such circumstance could be that the Council is seeking to compulsorily purchase the property due to it being an empty home. In such circumstances the Council would consider an application in line with the Private Sector Assistance Policy. A link on the Council website to the Policy can be found here:

[http://www.bedford.gov.uk/housing/housing\\_grants/ldoc.ashx?docid=a67af1a7-2bc4-4f09-9989-3f89d1761e8f&version=-1](http://www.bedford.gov.uk/housing/housing_grants/ldoc.ashx?docid=a67af1a7-2bc4-4f09-9989-3f89d1761e8f&version=-1)

There may be a case for considering the use of the Bringing Empty Homes Back Into Use funding for loans if this can be done without undermining the programme of compulsory purchase of properties which the funding is primarily designed to support. There may also be a case for considering the use of the Affordable Housing Capital programme for this purpose if the loan results in the delivery of Affordable Housing to which the Council has access.

### Enforced Sales

- 3.10 Enforced Sales enables the recovery of debts owed to the Council for works completed to secure compliance with statutory notices for example, to secure the building or prevent nuisance. The Local Government Act 1974 provides that where a local authority is

empowered by statute to carry out works etc, it can recover its expenses from the property owner. Where an owner is known and subsequently makes a payment in full the charge is removed.

- 3.11 In some cases the Council is able to force the sale of empty homes which is likely to have the effect of bringing the property back into use. Where homes have been abandoned it is not unusual for debts to accumulate through unpaid bills. Some debts may be charged against the property with a charging order. Where the Council has debts charged in this way it can recover them through legal action. The outcome is that either the owner repays the debt or the property is sold in order to recover the debt.
- 3.12 The enforced sales procedure was developed in the 1990s to apply these powers to tackle derelict abandoned properties. The procedure is now used by Councils across the country. The average time for completion is 9 months so it is a relatively lengthy process.
- 3.13 There are no capital cost implications as the property does not enter Council ownership. However, costs are incurred in administering the process. Enforced sales are appropriate where the Council is owed a debt as it is essentially a means of recovering that debt.
- 3.14 The Council can also seek an enforced sale where Council Tax debts in excess of £1,000 remain unpaid when other legal procedures to recover the debt have been exhausted.

#### Empty Dwelling Management Orders

- 3.15 Empty Dwelling Management Orders (EDMOs) came into effect in 2006 and are a legal power that enables Councils to bring an unoccupied privately owned home back into use. An EDMO allows the Council to take direct control of the management of the property for up to one year in the case of an Interim EDMO and up to seven years in the case of a final EDMO. The Council is able to renovate the property, let it and collect the rent. There are detailed procedures and EDMOs have to be approved by the Residential Property Tribunal.
- 3.16 On making an EDMO the Council becomes responsible for the completion of any repairs required to bring the property into occupation. The Council is only able to recover those costs in so far as they are covered by rents and other charges. This would be a significant cost to the Council in most cases with no long-term benefit to the Council. The steps that the Government proposes to

take to limit the use of EDMOs to properties that are a nuisance will reduce the availability of this measure for the one group of properties for which it was potentially useful – new build properties that have not been sold or let.

- 3.17 Prior to the credit crunch there was some concern nationally over 'buy-to-leave' A government report found at the time that the phenomenon was limited to the centres of the larger cities and in current market conditions it is unlikely to be a popular strategy amongst investors.
- 3.18 Nationally very few EDMOs have been completed since its introduction. At January 2011 just 40 EDMOs nationwide had been completed. Bedford Borough Council has not completed any.

#### Compulsory Purchase Orders (CPOs)

- 3.19 The Housing Act 1985, section 17 allows the Local Authority to acquire under-used or ineffectively used property for residential purposes if there is a general housing need in the area. In addition section 226 of the Town and Country Planning Act 1990 (as amended by section 99 of the Planning and Compulsory Purchase Act 2004) allows Local Authorities to acquire land or buildings if acquisition will allow improvements or redevelopment to take place. The CPO process can be a lengthy one and the threat of a CPO is intended to place pressure on the owner to enter into constructive dialogue with the local authority and to avoid such measures. However, it should be recognised that CPOs are used as a last resort when all other interaction with the owner has failed. Compulsory purchasing a property can send a message to other owners of empty properties and may encourage them to bring them back in to use without BBC having to resort to enforcement action.
- 3.20 The following are general criteria to determine whether CPO action should be pursued. However, each case should be considered on its individual merits and circumstances in accordance with prevailing legislation, and statutory and circular guidance.
- The condition of the property
  - The location of the property (i.e. its profile)
  - The effect it is having on the neighbourhood (i.e. is it attracting crime, anti social behaviour, squatting etc.)
  - The cost of purchasing the property against available budgets and the likelihood of the Council being able to sell it on to be brought into use.

- Is there a demand for the property type from the waiting list or can the property be readily adapted or converted to meet this.
- Whether an owner can be traced where they are unknown or appear to have moved on. If not, then CPO action may be appropriate.
- Whether the owner can be traced and is willing to try and bring the property back in to use with assistance from the Council. If not, then CPO action may be appropriate.
- The advice received from the Council's legal team.

3.21 There are costs associated with use of compulsory purchase powers including compensation payments, legal fees, short-term management and marketing costs

#### Council Tax Discounts

3.22 From 1<sup>st</sup> April 2013 the exemption from Council Tax for six months ceased for most empty properties.

3.23 The Council has the discretion to allow a discount of up to 100% of the Council Tax payable for a property that is unoccupied. It has been the Council's established policy for some time to not allow any Council Tax discount in respect of empty properties. This means that there is no financial benefit, in terms of Council Tax, to owners of properties in keeping the properties empty. The Council is considering the position of empty properties no longer benefitting from the six month exemption. Two classes of exemption from Council Tax, class C which applied for the first 6 months that a property was vacant, and class A which applied for up to 12 months where a vacant property was in need of or undergoing major repair to make it habitable were abolished by the Government from 1 April 2013. The Council undertook extensive public consultation during 2012 regard the level of discount, if any, to apply in respect of these categories of vacant properties and determined in January 2013 that no discount should apply

#### Council Tax Premium

3.24 From April 2013 the Council has a discretionary power to impose a Council Tax premium of up to 50% for properties which have remained vacant (that is unoccupied and unfurnished) for more than two years. Following public consultation in 2012 the Council determined to charge the maximum premium of 50%. It is considered that the imposition of a premium will create a financial incentive for owners of vacant properties to let or sell the property, therefore, bringing it back into use.

3.25 Where owners of empty properties fail to pay the Council Tax for the property and build up substantial debt the Council can, and will in appropriate circumstances, use enforcement powers to register a charge against the property and ultimately enforce the sale of the property. Use of these enforcement powers will be exercised in accordance with the Council's agreed Fair Debt Collection Policy.

#### Partnership Working

3.26 The Council actively works with Registered Provider partners to bring empty properties back into use. In certain circumstances it is possible to complete one off schemes to bring long-term empty properties back into use for example using funding streams made available from the Homes and Communities Agency. As noted above the Council is currently working with Aldwyck Housing Association. Aldwyck Housing Association's have made a successful bid to the HCA for empty property funding for the period to 31<sup>st</sup> March 2015.

3.27 Registered Providers with long term empty properties are contacted to determine the reasons for these properties being empty and to encourage them to be brought back into use to be re-let.

### Case Study – The Compulsory Purchase of a property in Pym's Close



*Before*



*After*

3.28 Bedford Borough Council has successfully compulsory purchased 3 long term empty properties and has recently completed a fourth. The above property had been unoccupied for over 10 years. The gardens were overgrown, the external wood cladding was rotting, the backdoor was boarded up and windows were rotting and broken. After numerous attempts to contact and engage with the owner the decision was made to initiate CPO proceedings on the property due to its deteriorating condition and effects on the neighbouring properties. Following the CPO process the property has now been completely renovated by the new owner and is now occupied. Whilst CPOs are a last resort for the Council and can be a lengthy process they are often the only option remaining to ensure a long term empty home is brought back into use providing a home for someone who needs it.

## **4. Aim and Objectives**

### **Strategic Aim**

- 4.1 The overarching aim of the Strategy is to propose and implement a range of measures that will, directly or indirectly, help return long-term private sector and public sector empty homes back into use where it is identified that assistance or, in a small minority of cases, intervention may be required.

### **Objectives**

- 4.2 The Council's key objectives are:

1. Reduce the number of long term empty homes in the Borough
2. Raise awareness of empty property as a wasted resource
3. Improve the supply of decent affordable private sector rented homes available to people in housing need.
4. Consider whether enforcement action is appropriate and value for money
5. To improve and maintain the data collected on empty homes

### **Key Objective 1: Reduce the number of long-term empty homes in the Borough**

#### **4.3 We will:**

1. Keep a register of long term empty homes.
2. Make contact with empty homes owners keeping them informed of options open to them to bring empty properties back into use.
3. Focus in particular on c165 properties that have been empty for over 3 years.
4. Make contact with Registered Providers about long-term empty properties in their ownership.
5. Use a range of options to bring long-term empty properties back into use.
6. Encourage property owners where appropriate to take advantage of the National Empty Homes Loans Fund
7. Actively consider any Government initiatives that will help finance bringing empty homes back into use.

8. Consider whether the Affordable Housing funding or the Use the Bringing Empty Homes Back Into Use could be used to fund loans where appropriate, and on appropriate terms, and where other sources of funds are not available.

#### **Key Objective 2: Raise awareness of empty property as a wasted resource**

##### **4.4 We will:**

1. Publicise on-going successes
2. Advise empty homes owners of options available to bring their empty homes back into use.
3. Mount limited promotional campaigns as and when appropriate subject to resources.

#### **Key Objective 3: Improve the supply of decent affordable private sector rented homes available to people in housing need.**

##### **4.5 We will:**

1. Advise property owners of the Council's Tenancy Deposit Guarantee Scheme
2. Work with Environmental Health to bring empty homes back into use and ensure they are a decent standard for occupation.
3. Provide assistance to ensure at least the minimum property standards are achieved.

#### **Key Objective 4: Consider whether initiating a Compulsory Purchase Order is appropriate and value for money**

##### **4.6 We will:**

1. Ensure appropriate enforcement policies and procedures are in place in respect of Compulsory Purchasing a property and with regards to the involvement of Planning Enforcement and Environmental Health.
2. Record information on those empty properties where contact with the owner has been unsuccessful and intervention is deemed appropriate.
3. Obtain Executive approval for the next property to be Compulsory Purchased
4. Use the Bringing Empty Homes Back Into Use revenue and capital funding allocation as effectively as possible to support this work within the Council's financial procedures and the overall funding allocation.

## **Key Objective 5: To maintain the data collected on empty homes**

### **4.7 We will:**

1. Record and maintain information on empty homes.
2. Work with Local Taxation to obtain timely information.
3. Record and monitor identified metric indicators M56, M57, M58

## **Delivering our Objectives**

### Key Partners

4.8 We recognise the need to operate this service in partnership with many other groups and individuals involved in ownership, management or enforcement aspects of housing such as:

- Local Taxation
- Re-Housing Team
- Home Improvement Team
- Environmental Health
- Property Services
- Private Landlords
- Registered Providers

### Resources

4.9 Staff time is a key resource, primarily from the Housing Strategy Officer but also from the Housing Support Assistant, Environmental Health and Local Taxation. The Council no longer have an Empty Homes Officer.

- 4.10 The budget for Compulsory Purchase Orders is £130,000 per year capital and £15,000 per year revenue which enables approximately 1 CPO to be completed per year. This also limits the value of properties which can be compulsorily purchased. The legal costs estimated for a CPO are approximately £2,000 with a possible £5,000 addition if an objection is placed and the Council has to attend a public inquiry. If the Council is not awarded costs the Council may have to pay the inspector's fees. Advertising and marketing costs including placing the relevant notices in the paper and further sundries such as Council Tax, changing the locks, Energy Performance certificate and securing the property can cost a further £3,000 per property. If the property is purchased through Compulsory Purchase compensation payments are set at 7.5% of valuation. A CPO can take from 12 months to over 2 years to complete from its initial instigation and so it can be a lengthy process.
- 4.11 The aim is for the Council to cover the whole costs of the process by the sale of the property. In the current market a more realistic objective is that the amount for which the Council sells the property will be the same as the amount that the Council pays for it plus the costs incurred in the purchase, ownership and sale. This may not always be achieved. It could be more or less. Experience suggests that owners do not always claim the sums due to them but the Council must make provision for these sums to be claimed for a 12 year period.
- 4.12 To be effective it is necessary that the budget for empty homes purchases is managed with recognition of the nature of the empty homes programme and the delays that affect the compulsory purchase process which will frequently lead to the process crossing the end of the financial year.

## 5. Empty Homes Action Plan 2013-2017

5.1 The following action plan will be monitored and reviewed on a 12 monthly basis.

<b>BEDFORD BOROUGH COUNCIL EMPTY HOMES STRATEGY 2013-2017 – ACTION PLAN</b>					
<b>Key Action</b>	<b>Timescale</b>	<b>Priority</b>	<b>Performance Measure</b>	<b>Resources</b>	<b>Responsible Team</b>
<b>Key Objective 1: Reduce the number of long-term empty homes in the Borough</b>					
1.1 Keep a register of long term empty homes	Monthly	High	Long term empty homes listed and monitored	Staff time	Housing Strategy/Council Tax
1.2 Make contact with empty homes owners keeping them informed of options open to them to bring empty properties back into use	Monthly	High	Standard Empty homes letter 1 sent to owners of empty properties that have been added to the monthly Council Tax list as being empty for more than 12 months on a monthly basis. Standard letter 2 sent to owners who have not responded to letter 1 and still have an empty property that has been empty over 12 months. Standard letter 3 sent	Staff time	Housing Strategy

			when appropriate if no response has been received from an owner after letters 1 and 2.		
1.3 Make contact with Registered Providers about long term empty properties in their ownership	Ongoing	Low	Registered Providers contacted when they have long term empty properties	Staff time	Housing Strategy
1.4 Keep under review the range of options to bring long term empty properties back into use	Ongoing	Medium	Options available to the Council use	Staffing time Capital Programme for CPO Funding for Empty Homes Loans	Housing Strategy
1.5 Seek to identify funding to offer Empty Homes Loans to owners of long term empty properties.	Ongoing	Medium	Empty homes loans completed if budgets allow	Staff time Funding for Empty Homes Loans	Housing Strategy Home Improvement Team
1.6 Refer owners of empty properties through to the National Empty Homes Loan Fund	2013	Medium	Owners referred to the National Empty Homes Loan Fund to help bring their property back into use	Staff time	Housing Strategy
1.7 Actively look for any Government initiatives that will help finance bringing empty homes back into use	Ongoing	High	Bids made for Government funding if made available	Staff time	Housing Strategy

<b>Key Objective 2: Raise awareness of empty property as a wasted resource</b>					
2.1 Publicise on-going successes	Ongoing	Medium	PR completed	Staff time	Housing Strategy/Communications
2.2 Advise empty homes owners of options available to bring their empty homes back into use	Ongoing	High	Letters sent to owners and advice given over the phone where possible	Staff time	Housing Strategy
2.3 Complete promotional PR campaign as and when appropriate	Ongoing	Medium	PR completed	Staff time. Marketing and Promotion Budgets	Housing Strategy
<b>Key Objective 3: Improve the supply of decent affordable private sector rented homes available to people in housing need</b>					
3.1 Advise property owners of the Council's Tenancy Deposit Guarantee Scheme	Ongoing	Medium	Owners of empty properties made aware of the Tenancy Deposit Guarantee Scheme	Staff time	Housing Strategy Tenancy Deposit Guarantee Scheme
3.2 Work with Environmental Health to bring empty properties back into use and ensure they are a decent standard for occupation	Ongoing	High	Liaison with Environmental Health about relevant empty properties	Staff time	Housing Strategy Environmental Health
3.3 Provide assistance to ensure at least the minimum property standards are achieved.	Ongoing	High	Advice offered to property owners and liaison with environmental health	Staff time	Housing Strategy Environmental Health
<b>Key Objective 4: Consider whether a Compulsory Purchase Order is appropriate and value for money</b>					
4.1 Ensure appropriate enforcement policies and procedures are in place in	Ongoing	High	Enforcement procedures updated	Staff time	Housing Strategy/Planning/ Environmental Health

respect of Compulsory Purchasing a property and with regards to the involvement of Planning Enforcement and Environmental Health.					
4.2 Record information on those empty properties where contact with the owner has been unsuccessful and intervention is deemed appropriate	Ongoing	High	Property information recorded and monitored	Staff time	Housing Strategy
4.3 Obtain Executive Approval for the next property to be Compulsory purchased	As and when required	High	Executive agreement received	Staff time	Housing Strategy and Executive Committee/Mayor
<b>Key Objective 5: To improve and maintain the data collected on empty homes</b>					
5.1 Record and maintain information on empty homes	Monthly	High	Information recorded and monitored	Staff time	Housing Strategy and Local Taxation
5.2 Work with Local Taxation to obtain timely information	Monthly	High	Information providing the list of empty properties received from local taxation monthly	Staff time	Housing Strategy and Local Taxation
5.3 Record and monitor identified metric indicators M56, M57, M58	Quarterly	Medium	Metric Indicators M56, M57 and M58 monitored.	Staff time	Housing Strategy and Local Taxation