

Empty Homes Policy

July 2020.

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Executive Summary

Haringey Council is committed to bringing empty homes in the borough back into use.

It is unacceptable that homes stand empty during a housing crisis. As a Council, we believe we can help build strong, settled communities by addressing the housing needs of all of Haringey's people, because our aspiration is for all of our residents to have a safe, stable and genuinely affordable home. Bringing empty homes back into use helps us to increase the number of homes in Haringey and to provide a diverse range of housing choices to meet local need.

Empty homes also blight neighbourhoods and attract antisocial behaviour and crime. Developing an environment that is safe, clean, and green is a priority for the Council and our residents. Bringing empty properties back into residential use helps to create a safe and pleasant environment for all.

Nearly 1,200 homes in Haringey have been empty for more than six months. Most are empty due to temporary circumstances which their owners are actively resolving – for example, they are putting their property on the market, or are temporarily out of the country, seeking planning permission or funds for development or renovation. Most of these homes will therefore not remain empty for long.

However, far too many homes remain empty on a long-term basis. 284 homes in Haringey have been empty for more than two years; 88 of those have been empty for more than five years. This is not acceptable.

Haringey Council will take a risk-based approach to tackling empty homes. We will do everything we can to help and encourage owners of empty homes to bring them back into use. Advice and assistance will always be offered first, and in the vast majority of cases this will be sufficient.

However, where owners of empty homes cannot be traced, or they are unwilling to work with us in a meaningful way towards bringing their property back into use, we will not hesitate to use the range of enforcement powers available to us. These include Empty Dwelling Management Orders, enforced sale, and compulsory purchase.

This policy sets out the key priorities and issues concerning empty homes in the borough. It provides a coordinated approach for the Council to adopt and a framework for Council officers to follow, it ensures our residents and stakeholders are clear on our policy and the actions we can take, and how to access our services.

1. Introduction

Haringey Council is committed to increasing the number of homes in the borough in order to provide a diverse range of housing choices to meet local needs. When the need for homes is so desperate, it is not acceptable for homes to remain empty for long

periods of time. Empty homes also blight neighbourhoods and attract antisocial behaviour and crime. Developing an environment that is safe, clean, and green is a priority for the Council and our residents. By working with owners to return their empty properties back into residential use we hope to alleviate the impact that vacant homes can have on our neighbourhoods, as well as helping to meet the borough's increasing housing demand.

This policy sets out how the council will work towards these commitments by bringing empty homes back into use. The Council's interventions are structured and based on impact, risk and the public interest test. To be consistent and target resources effectively, the Council will take a systematic approach to risk assessing and appraising options for empty properties when informal and voluntary measures are insufficient.

2. Overview of Empty Homes

There are many reasons for a home to be left empty, but there are two broad categories of empty homes:

- Transactional empty homes
- Long term empty homes.

Transactional Empty Homes

Transactional empty homes are empty for less than six months as part of the normal cycle of letting, renovating, buying and selling property. This cycle is by far the main reason that homes are left empty: in Haringey there are currently just over 1800 of these homes.

In line with other authorities, the Council does not seek to intervene where a home has been left empty for less than six months. As such, these homes are not counted in local, regional or national analyses of empty homes.

Long term empty homes

With certain important exceptions that are set out below, dwellings that have been empty for more than six months are classified by the MHCLG and the Council as being empty homes.

Empty Homes in Haringey

There are approximately 108,915 dwellings in Haringey:

- 35,253 (32.4%) of these dwellings are in Owner Occupation
- 29,887 (27.4%) of these dwelling belong to the Social Housing sector
- 43,775 (40.2%) of these dwellings are in the Private rented sector.

Council Tax records tell us that:

- 1188 empty dwellings in the borough – 1.09% of all homes - have been empty and substantially unfurnished for six months or more.

- 284 empty homes have been unoccupied and unfurnished for two years or more. These properties become liable for an additional council tax charge.
- 88 homes have been empty for more than five years.

The number of empty homes in London is at a historic low. In spite of a recent rise in the number of empty homes in Haringey. The housing market is at the moment buoyant and research into our current empty homes identifies that most of these properties are empty due to circumstances which are being resolved – for example, residents are temporarily out of the country, or planning permission or funds for development or renovation are being sought. The death of the owner is thought to be the main single cause of homes standing empty in London, the granting of probate can be a lengthy process.

This said there are currently 88 empty homes in Haringey's that have been empty for over 5 years and 22 of these properties for over 10 years. It is these Long-term empty homes which remain a priority for the Council and will be the focus of the measures within this policy.

Unused dwellings that are not counted as empty homes

Certain categories of dwellings that have been empty for more than six months are exempted by Council Tax legislation from any 'empty homes premium' and as such not classified as an empty home. The Council does not seek to intervene in these cases. These include homes that are empty because:

- the owner is in hospital, prison, or care
- the owner has moved out to give care to another
- it has been repossessed by a mortgage lender
- probate has not been granted
- occupation is prohibited by law

Furthermore, where an empty dwelling is notified to the Council as being 'substantially furnished', it cannot be treated for Council Tax purposes as an empty home. Except where there is good reason to believe that an owner has obtained the classification dishonestly, the Council does not seek to intervene in these cases for the most part, these are classed as 'second homes' - any dwelling which is not the 'sole or main residence' of any individual. It is for the billing authority to decide in the first instance whether a property is anyone's 'sole or main residence'.

Empty Buildings not identified by council tax records

However, council tax records do not tell the full story. In addition to these empty homes, a relatively small number of dwellings are not identified as empty by Council Tax records or counted by the Government as empty homes.

Uninhabitable homes

Where a residential building no longer qualifies legally as a 'dwelling' it can be removed from council tax banding. If an owner wishes to remove their property from the council tax liability, they must apply to The Valuation Office Agency (VOA). The VOA will consider whether the property is either habitable or capable of repair.

The VOA will only remove a property from council tax liability if in order to become habitable its original character would have to be changed so much that it will not bear any relation to the type of accommodation that was originally there: following the completion of any works, it would virtually be a new property. In general, where the property is not wind and watertight, where the intrusion of the weather, rot or severe vandalism means that only substantial structural work would make the property habitable, the band can be deleted. The property would not be habitable and the 'dwelling' will have ceased to exist.

Where a single property is being converted into two or more units of living accommodation by structural works to divide it, the VOA can delete the band. If part remains capable of occupation, then that part would be banded whilst the works are in progress. When the works are complete, each of the new units will be banded separately as new properties.

3. Identifying empty homes.

There are three distinct channels through which empty homes are identified: -

- Council Tax Information- the principal source of identification for vacant homes in the private sector is Council Tax intelligence. The council tax status for a property changes when it becomes empty and this information can then be used along with the details of property owners to engage with them on their plans.
- Professional Reporting – Council Officers and partner organisations are a valuable source of empty home information and reporting. Information from the Police, Fire Authority, local ward Councillors, and officers working in the field, creates a multi-agency approach to empty homes. Identifying vandalism, fly tipping, crime and criminal activity such as squatting, drug misuse and anti-social behaviour allows us to use this information to target those empty homes that are causing a nuisance.
- Public reporting – Public reporting is a valuable source of reporting as these often come to light when the property starts to blight a local neighbourhood and cause issues for the community. Acting on such reports allows for engagement with the local residents which helps with initial investigations into ownership and circumstance.

4. Why do properties become empty?

The Council are determined not to accept that any homes in our borough need to remain empty. We will therefore look to intervene wherever homes are left empty.

Properties that have been empty for more than six months usually have an underlying problem. When properties have been empty for more than two years, it is likely that they will stay empty and decline without intervention. Long term empty properties can

become a hub for crime and attract vandalism, anti-social behaviour, as well as becoming a target for arson. They can become run down, fall into disrepair, have overgrown gardens and blight the surrounding properties and neighbourhood. Neighbouring owners may be particularly dissatisfied and may find their house value has diminished or may be difficult to let or sell.

Some of the most common barriers that exist for owners of long term empty properties that are preventing them from returning their property back into use include:

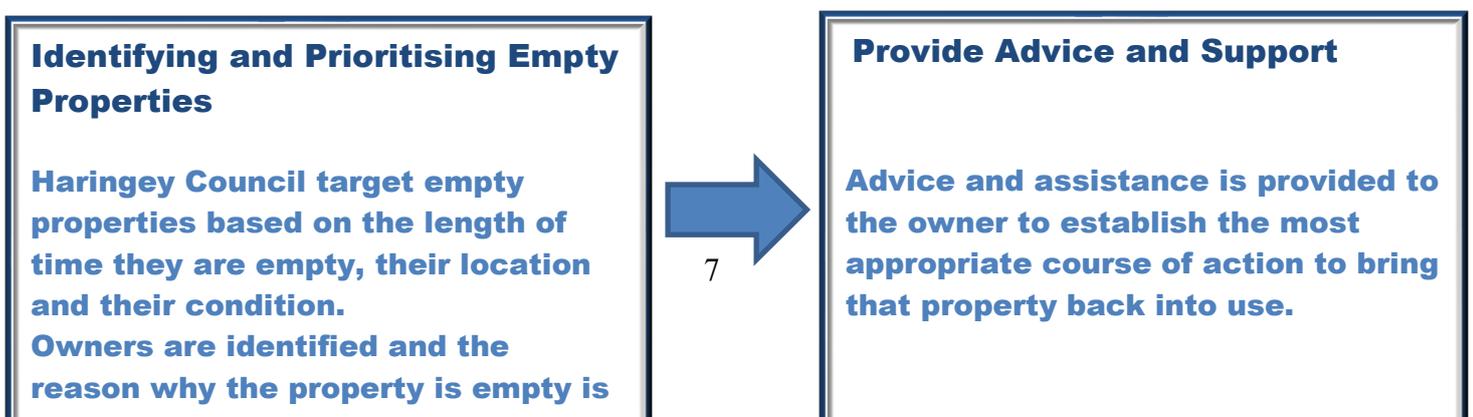
- issues with inheritance and/or delays with probate;
- lack of finance to carry out necessary repairs and refurbishment;
- the owner may be in hospital or residential care;
- the owner lacks the personal ability to deal with the property;
- following the death of an occupant the ownership of the property may be unclear;
- problems with achieving a sale;
- perceived problems associated with letting of properties;
- owner unwilling to bring the property back into use.

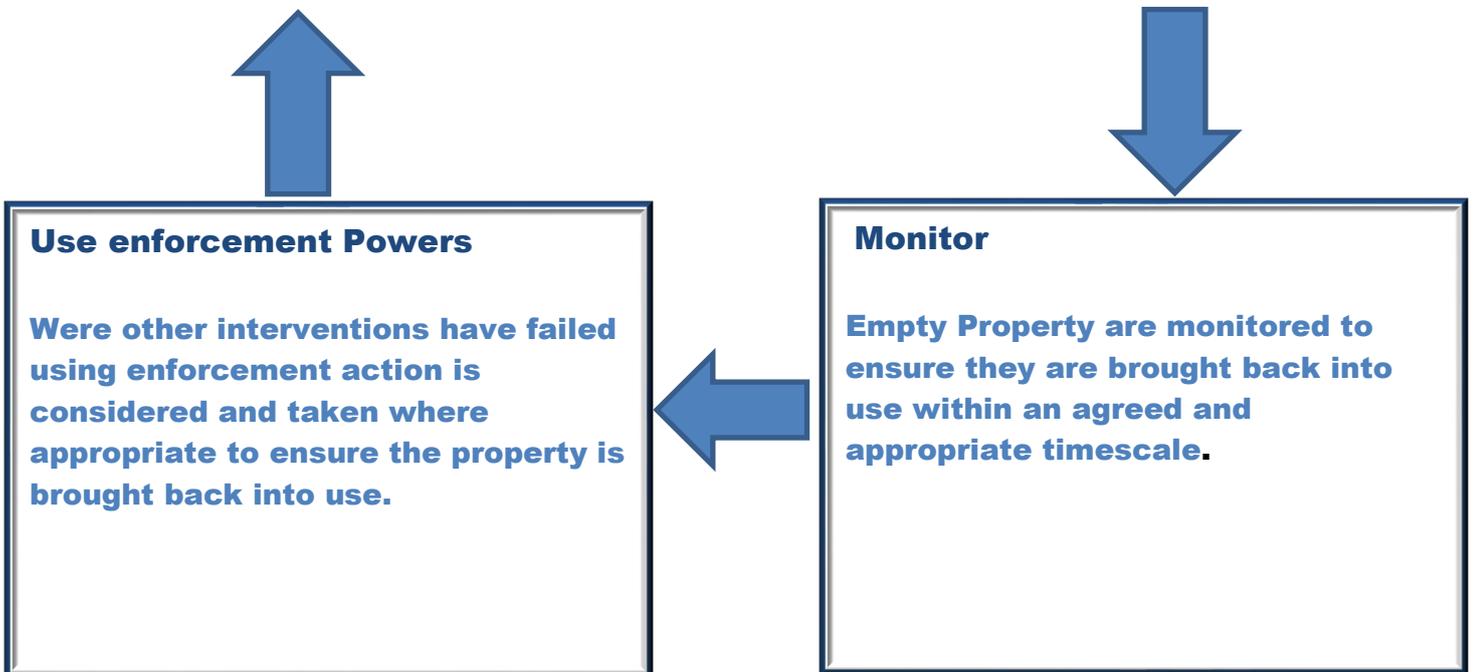
5. Our Empty Homes Procedures

The procedure for intervening in empty homes is structured and based on impact, risk and the public interest test. Our interventions for bringing empty homes back into use are intentionally focussed on currently vacant residential dwellings and the circumstances in which they remain unoccupied.

Having a co-ordinated approach to dealing with empty homes enables us to support wider strategic outcomes around our homelessness priorities, Anti-social behaviour and tackling wider housing issues associated with our private rented sector.

Figure 1: Our approach to bringing empty properties back into use





How we will achieve this.

We will follow a series of stages before moving to any consideration of enforcement.

1. Identifying the owner.
2. Initial engagement, advice, and guidance.
3. Supervision of progress.
4. A series of five letters are sent, each letter building up to a final warning of the council's intentions to enforce. These letters can be withheld at any point if owners engage but are proceeded again if works stop.
5. If after this stage the property is unlikely to be brought back into use without enforcement action – or if at any stage the condition of the property presents a risk to the public - an enforcement option is identified. In some cases, it will be appropriate to use several forms of enforcement at once. In other cases, it may not be appropriate to enforce until further attempts at engagement have been made.
6. Enforcement action against any nuisance such as pests etc.
7. In many cases boarding and or securing the property to make it secure from intruders.

8. Engagement with council tax on debt owed and consideration of enforced sale action.
9. Consideration of Compulsory Purchase Orders (CPO) & or Empty Dwelling Management Orders (EDMO) including valuation of the property for the purposes of decision making, feasibility and market etc.
10. Final communication with the owner outlining next steps.

However, when there is a Long-term empty home, we will put in place formal action plans identifying and fast-tracking the move to enforcement action.

6. Our Informal Approach

Identifying our empty homes and their owners

Council tax will provide us with a list of homes that are registered as empty over 6 months old. Monitoring this list, identifying the owners of these properties and implementing early engagement strategies will allow us to create empty homes intelligence.

This intelligence will then be used to inform decision making, provide data on the types of empty dwelling we have and monitor the return of those homes back into use.

Providing owners with advice and guidance

Providing useful, well-regarded advice to owners of empty properties is the most effective means of bringing empty homes back into use. A study of work done by a consortium of 12 local authorities in Kent working together to bring empty properties back into use found that only 3% of properties were brought back into use using enforcement action, 11% of properties were brought back into use using the threat of enforcement action, 6% of properties were brought back into use using grant aid, and 58% of properties were brought back into use using a combination of advice and guidance.

Officers are available to discuss the needs of empty home owners and can advise and provide signposting to various resources and sources of support and help to allow them to work with the Council to bring a property back into use. These options include leasing the empty home to the Council's Private Sector Leasing Scheme so that it can provide a home to a homeless family – and an income to the homeowner.

7. Our Formal Approach

Empty Homes and Council Tax

Haringey applies the maximum available Council Tax surcharges in order to give property owners strong disincentives for leaving homes empty.

Since April 2013, Councils have had powers to set an 'empty homes premium' for properties empty for a specified period. The Rating and Council Tax (Empty Dwellings) Act 2018 introduced powers to increase this surcharge in stages from 50%:

- From April 2019, 100 per cent extra for dwellings empty for 2-5 years (i.e. twice the standard charge)
- From April 2020, 200 per cent extra for dwellings empty for 5-10 years (i.e. three times the standard charge)
- From April 2021, 300 per cent extra for dwellings empty for 10+ years (i.e. four times the standard charge)

It should be noted that empty dwellings that are "substantially furnished" are excluded from being charged the council tax premium. In most cases these dwellings are used from time to time as 'second homes'; in some cases, they may be used for short-term lettings; in other cases, owners may simply leave them standing empty but use the exemption to evade the Council Tax premium. There is no statutory definition of the term 'substantially furnished'. It is for the billing authority to decide whether a property meets this definition, and there is substantial case law in existence.

Working informally with residents is always our preferred course of action and reflects the Council's wider enforcement policy and concordat. There are however times when formal action is the only way to achieve compliance or to allow the local authority to intervene and take their own action to combat a problem or nuisance that may be affecting the wider community.

Formal action is always a last resort and is used when all other forms of engagement have been exhausted or when informal engagement cannot resolve the matter e.g. a property has been abandoned.

The following are the formal measures that may be used to bring empty properties back into use when informal approaches has failed.

Environmental Health and Building Control enforcement

Enforcement action can be taken swiftly under environmental health legislation in the event of e.g. a public nuisance such as infestation.

In many cases the Council will:

- board and secure the property to make it secure from intruders to prevent vandalism, fire risk or criminal activities.
- Action can be taken under building regulations in the case of dangerous or dilapidated buildings or structures.

Council Tax Enforcement

The empty homes officer works closely with colleagues in Council Tax on possible joint action.

If the property has been removed from the Council Tax register by the Valuation Office (VOA), Council Tax Compliance notices may be served to incentivise the owner to complete necessary works and bring the property back onto the register and into occupation.

If there is Council Tax debt, there may be scope for enforced sale action.

Enforced Sale

The Law of Property Act 1925 allows local authorities to recover charges through the sale of the property. Enforced sale is a procedure to recover debt which amounts to over £1000, but it can also serve as a way of bringing an empty property back into use. This will be instigated by the Recovery team in the Revenues department at the council.

Enforced sale can be built into an action plan at the point enforcement work by environmental health begins.

8. Compulsory Purchase Orders (CPO)

Compulsory Purchase Orders are available for empty properties under housing powers. Government guidance provides that compulsory purchase is intended to be a last resort.

A compulsory purchase order (CPO) is made by a local authority but is not effective until it is confirmed, by the Secretary of State. Once confirmed, the CPO gives the local authority the power to compulsorily purchase property. Cabinet makes the decision to seek compulsory purchase.

It is crucial that attempts to communicate with the owner are made throughout the entire process.

Once Cabinet have decided to seek compulsory purchase, the Council will follow the statutory prescribed process accordingly.

Local Authorities CPOs will not be confirmed by the Secretary of State unless it can demonstrate that all necessary funding is likely to be available and so the funding of any purchase needs to be identified prior to seeking Cabinet approval for the making of a CPO

9. Empty Dwelling Management Orders.

Empty Dwelling Management Orders (EDMOs) were introduced by the Housing Act 2004. They enable Councils to take possession - though not ownership - of an empty property and then place tenants in it through an Empty Dwelling Management Order (EDMO).

When EDMOs were launched, the Act allowed councils to apply for an EDMO after a property had been empty for just six months, but in 2011 the new Government

overturned these “heavy handed rules”, extended the period to two years, and added a further set of restrictions on their use.

For an EDMO to be issued, the Residential Property Tribunal must be satisfied that:

- the property has been empty for at least two years, as well as
- being vandalised, or actively used for "antisocial" purposes, or "causing a nuisance for the community" and
- that there is local support for the use of an EDMO.

All empty homes which meet the above criteria will be considered for EDMO on a case by case basis.

The process is complex, resource-intensive, and requires two stages, an interim and final stage, at the end of which the council can let and renovate the property and then recover the costs of that process through rental income. Though the Council is able to register charges against the property, these do not have priority and there are therefore particular financial risks where a property is mortgaged.

10. Acquisition of property for use by the Council.

Empty Dwelling Management Orders and or CPO could provide a small but important number of homes for homeless households through either the Community Benefit Society or Homes for Haringey. Each home would need a case by case assessment to judge its suitability and financial viability.

11. Achieving success

Our previous success in bringing empty properties back into use has taught us that our policy must contain a combination of incentives and sanctions to be successful. The key mechanisms for achieving our objectives will be:

- The Housing Improvement Team will carry out regular audits to identify and prioritise empty properties, maintain records of empty properties and work to bring homes back into use through co-operation with the owners;
- Advice and assistance to property owners;
- Where co-operation with owners fails, ensure enforcement powers, such as Enforced Sale, Empty Dwelling Management Orders and Compulsory Purchase Orders are fully utilised;
- Redevelopment of empty properties acquired through EDMOs, Enforced Sale and CPOs;
- Work in partnership with internal and external partners to coordinate action to encourage or compel owners to bring empty properties back into use.

12. Resources

Successful delivery of the Empty Property Policy will primarily be the role of the Housing Improvement Team in partnership with internal and external partners.

People

The key internal partners will include:

- Council Tax
- Planning Enforcement
- Community Safety and Enforcement services
- Homes for Haringey Council
- Finance

Financial

The council's empty property policy will be financed through the Council's budgets. Where appropriate and available, bids for resources from the Government will be made.

13. Monitoring

The success of this policy will be captured through measuring the number of empty homes that have been brought back into use through interventions from the Council.

The Policy will aim to target those homes which have been empty for the longest periods of time, with homes empty for longer than 10 years being targeted first.

We will continue to monitor the prevalence of empty homes in Haringey against the regional and nationwide levels.

14. Contact us

Enquiries regarding this strategy should be made to:

Housing improvement Team
1st floor River Park House
225 Station Road
London
N22

Email: emptyhomes@haringey.gov.uk Tel: 020 8489 5521

