

**Report to:** Executive

**Date:** 25 September 2007

**Report of:** Executive Member for Housing

**Subject:** Private Sector Empty Homes Strategy and Empty Homes Officer Post

**Ward:** All Wards

## **1. Purpose of the Report**

This report seeks agreement for the creation of an Empty Homes Officer post to implement and develop further, a proposed Council Private Sector Empty Homes Strategy Statement. The Statement seeks to assist in tackling issues associated with long term vacant and neglected residential properties within the District and to make greater use in particular of existing powers related to Enforced Sale Procedures (ESP) and newly created powers for Empty Dwelling Management Orders (EDMO).

## **2. Consultation**

2.1 Consultation has been carried out with private sector landlords and residents groups. Presentations have also been made to Area Forums and the District of Easington Tenants & Residents Federation. Management Team have been consulted on the report's recommendations.

## **3. Background**

- 3.1 There are significant problems with empty, abandoned and neglected dwellings in many settlements across the District. Recent Council Tax records indicate that there are around 1600 privately owned homes that have been empty for longer than six months.
- 3.2 There are a number of legal powers available to the Council to tackle the problems that arise from empty properties; however to address this in a structured and sustainable way has not proved possible within the current enforcement resources available within the Environmental Health, Planning and Housing services.
- 3.3 To provide a policy lead approach an Empty Homes Strategy Statement has been prepared to set out the use of current and new powers for intervention in specific areas and properties within the wider context of the Council's agreed Housing, Planning and Regeneration objectives. A copy of the draft Statement is attached at Appendix 1.

- 3.4 A temporary Empty Property Officer (EPO) post was established within the Housing Service in 2006 on a pilot basis in association with the Easington Colliery & Horden Neighbourhood Management Pathfinder. As such the majority of the Officer's work was initially focussed within the Easington Colliery and Horden areas.
- 3.5 During the pilot period a total of 41 properties were brought back in to use through advice and negotiation with owners and several other long-term empty dwellings were identified as being potentially suitable for the use of Enforced Sale Procedures (ESP) or Empty Dwelling Management Orders (EDMO) as part of a more structured approach.
- 4. Delivery of the Empty Homes Strategy Statement**
- 4.1 Evidence has shown that early intervention offering support and guidance to property owners can prove very useful in preventing longer-term empty properties becoming more problematical. Indeed in most cases solutions reached through negotiation and agreement are preferable to enforcement related solutions that are by their nature more difficult, expensive and time consuming to undertake. The 41 properties returned to use during the tenure of the Empty Property Officer were almost exclusively due to the time invested in tracking down owners and meeting with them to provide advice, assistance and encouragement to bring their properties back to the market.
- 4.2 In order to ensure the objectives of the Empty Homes Strategy Statement are taken forward it is proposed that an Empty Homes Officer Post (Scale 8 ) is established within the Housing Service.
- 4.3 The current response to issues of empty properties and associated complaints, generally extends to boarding up dwellings, removing accumulations of noxious rubbish, carrying out works if the current state if the property is deemed sufficiently detrimental to the amenity of the local area, and in some specific cases where buildings are dilapidated, demolition.
- 4.4 Although this limited range of action has had some level of success in terms of reducing the immediate environmental or safety issues presented by an empty property, the wider issues of abandonment and neglect are not dealt with and the property can often continue to be unused and fall into further disrepair. It also means that a property as a potential 'home' is not being used effectively.
- 4.5 To enhance the Council's response to dealing with empty properties it is now proposed to take advantage of powers to use Enforced Sales Procedures and Empty Dwelling Management Orders. The use of these powers would normally be as a last resort, where all other attempts to resolve the situation have

been unsuccessful and it is clear that an owner is unwilling or unable to address the issue of their long-term empty dwelling.

#### *Enforced Sale Procedure (ESP)*

- 4.6 There are a number of long-term empty dwellings in the District that have had legal notices served and works carried out in default by the Council. The cost these works have subsequently been registered as a Land Charge to be recovered on the eventual sale of the property. Typically these properties are some of our most problematic, where the owner clearly has no intention of bringing the property back in to occupation.
- 4.7 ESP is an existing power under the Law of Property Act 1925 and has been adopted by a number of Councils across the Country as an effective way of dealing with long term empty properties where the owner cannot be traced or is unwilling to work with the Council to bring the property back into occupation and a charge has been accrued on the property.
- 4.8 The basic principle of ESP is that the Council would request by way of a Statutory Notice that the owner pays the monies accrued as a legal charge. If the monies are not paid within the specified time period the Council can effectively act as mortgagee and bring the property to sale on the open market, at auction or to a preferred buyer. All charges would be cleared from the proceeds of the sale, allowing the Council to recover the costs of works previously carried out, and the remainder would be paid to the owner.

#### *Empty Dwelling Management Orders (EDMO)*

- 4.9 EDMO's are a new provision under the Housing Act 2004 to assist Councils to tackle long-term empty homes. They can help both property owners and the Council find a solution that enables a property to be returned to use.
- 4.10 The basic principle of an EDMO is to allow the Council to effectively 'step into the shoes' of the owner and secure occupation by proper management of the dwelling.
- 4.11 There are two types of EDMO: an interim EDMO and a final EDMO. An interim EDMO lasts for a period of up to twelve months whereas a final EDMO lasts for up to seven years. Both orders allow the Council to take over the management of the property, usually via a managing agent, and any costs incurred in making the property habitable are recovered from the rental income.
- 4.12 Preliminary discussions have taken place with our Registered Social Landlord (RSL) partners to seek interest in them managing such properties on our behalf. Another option that is

currently being explored is the possibility of the Management of the properties being undertaken by one of our Accredited Private Landlords. In either case the Council would be entitled to nominate potential residents from our existing housing waiting lists, and it is envisaged that this process will increase the supply of 'affordable rented' property in the area through a credible landlord whilst reducing the administrative burden for the Council of running such a scheme itself.

## **5. Implications**

### **5.1 Financial**

The annual cost of the Empty Property Officer Post on the establishment of the Housing service would be £34,507. It is proposed to finance this cost initially by the use of reserves and savings within the existing budgets until such time as a realistic estimate can be made as to the level of costs that might be offset from 'fee income' including capital programme fee contributions, when a portfolio of properties under either ESP or EDMO has been established. The net cost to the base service budget can then be determined at that stage.

Provision will be made within the existing capital programme budget for private sector renewal actions to meet the costs associated with any works required to the properties to permit disposal or to be rented. These costs will be recovered through sale receipts or a share of the rental income from properties under EDMO arrangements.

### **5.2 Legal**

Enforced Sales Procedure and Empty Dwelling Management Orders are available to the Council under the Law of Property Act 1925 and The Housing Act 2004 respectively.

### **5.3 Policy**

The use of ESP and EDMO will become part of the Councils policy for Housing Renewal and Enforcement and our approach to dealing with empty dwellings will be incorporated into the Council's Housing Strategy when it is reviewed later in 2007.

### **5.4 Risk**

A full risk assessment has been carried out in line with Council policy and the appropriate actions have been taken to mitigate risk to the Council.

### **5.5 Communications**

A press statement will be prepared associated with approval of the Empty Homes Strategy Statement to indicate that the Council will be using the Strategy Statement and associated provisions to help tackle the issues of long term vacant properties so as to increase the supply of affordable rental

properties across the District and improve local residential neighbourhoods.

## **6. Corporate Implications**

### **6.1 Corporate Plan and Priorities**

The use of these enforcement powers will assist in the delivery of several aims and priorities under the Corporate Plan and Community Strategy, particularly “Quality Services for all our people”, “Decent Homes for All”, “Clean Tidy Communities”, and “Making the District Safe”,

### **6.2 Equality and Diversity**

No implications

### **6.3 E-Government**

No implications

### **6.4 Procurement**

No implications

## **7. Recommendations**

- The Working Executive is asked to consider the proposed recommendations to: Approve the Empty Homes Strategy Statement to guide the Council’s approach to tackling empty dwellings across the District, including the use of Enforced Sale Procedures and Empty Dwelling Management Orders. The use of these powers would be subject to approval on a case-by-case basis by the Executive.
- Approve the establishment of a post of Empty Homes Officer within the Housing Service.

### **Background Papers**

Housing Act 2004

Law of Property Act 1925

CLG Guidance on EDMO’s

Empty Homes Agency Briefing Paper EDMO

ODPM Empty Property Unlocking the Potential

Manchester City Council ESP Good Practice Guide 2<sup>nd</sup> Edition