

## **DRAFT**

**South Cambridgeshire District Council** 

**Empty Homes Strategy** 

2022 - 2025

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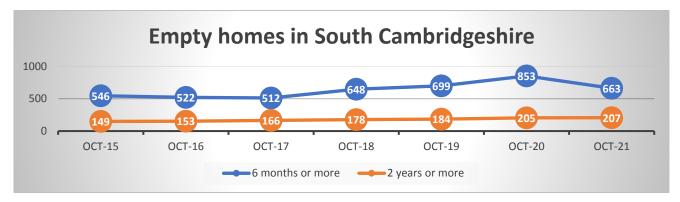
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## 1. Introduction

- 1.1. The overall aim of the Empty Homes Strategy is to understand the impacts of long-term empty homes in the District and what measures the Council can take in terms of bringing empty homes back into use.
- 1.2. Whilst any empty home is a wasted resource in terms of housing available for people to live in, South Cambridgeshire District does not suffer significant issues in terms of the number of homes left empty for long periods of time. This Strategy therefore sets out a balanced approach to tackling empty homes in the District that is both fair and proportionate in relation to the overall supply of housing in the area.

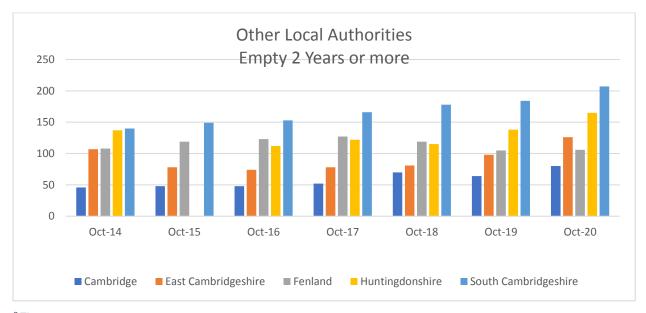
# 2. Empty homes in the district

- 2.1. The number of empty properties (uninhabited for six months or more) within South Cambridgeshire has decreased over the last year to 663 properties following a spike in 2020 of 853 properties. The high rise in the number of short-term empty homes can be attributed to the restrictions due to covid 19 affecting people being able to sell, relet or return to properties. It should also be noted that properties included in this figure will include those that are in the process of being sold, and whilst the trend may stay relatively stable, there will be a certain amount of churn.
- 2.2. The more relevant figure to note, is the number of long-term empty homes (empty over 2 years), currently at 207 properties in 2020/21. As a proportion to the overall number of homes in the District, the number of long-term empty homes is not a significant issue and represents just 0.3% of the overall housing stock. Of those that are empty, there are 32 properties that have been empty for between 5 and 10 years and 21 properties empty more than ten years. Only a handful of properties cause issues for the Council which generally relate to the condition of the property or the upkeep of the gardens.



<sup>1</sup>Figure 1

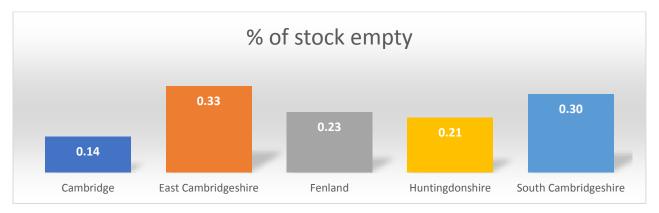
2.3. In comparison with other local authorities in the sub region, South Cambridgeshire District has a slightly higher number of empty homes, although in terms of the percentage of properties that are empty for two years or more the difference is negligible. Nationally the average percentage of stock that is empty for two years or more is 0.93%, compared to 0.30% for South Cambridgeshire.



<sup>2</sup>Figure 2

<sup>&</sup>lt;sup>1</sup> Data from CTB1 Council taxbase reports <a href="https://www.gov.uk/government/collections/council-taxbase-statistics">https://www.gov.uk/government/collections/council-taxbase-statistics</a>

<sup>&</sup>lt;sup>2</sup> Data from CTB1 Council taxbase reports <a href="https://www.gov.uk/government/collections/council-taxbase-statistics">https://www.gov.uk/government/collections/council-taxbase-statistics</a>



<sup>2</sup>Figure 3

# 3. Why it is important to bring empty homes back into use?

- 3.1. There is a significant lack of affordable homes in South Cambridgeshire and by bringing unoccupied properties back into use we can increase the supply of housing that is available.
- 3.2. Increasing the number of properties in use provides more housing options to residents and helps in reducing the pressure on the current housing stock.
- 3.3. Empty properties may attract opportunities of squatting and anti-social behaviour and can be detrimental to the look and environment of the District.
- 3.4. Empty properties can also increase the demand on services, such as dealing with complaints arising from empty homes and calls to the police/fire service to attend an empty property.
- 3.5. For owners of empty properties, it costs money to leave a property empty; the longer the property is empty, the higher the charge for council tax. (see section below: <u>Council Tax</u>). There are also additional costs which may include those relating to dilapidation, pest control, security and insurance.
- 3.6. It is therefore in everyone's interest to bring empty homes back into use as soon as possible.

## 4. Why are homes left empty?

- 4.1. There are many reasons why a property is left empty and it is difficult to pinpoint a particular reason why homes are left empty in the District. For properties that are empty for over 6 months, this includes new build properties that can sometimes take longer to sell, especially on the growth sites where there are a large number of properties becoming available at the same time.
- 4.2. Generally, it is the longer term empty properties of two years or more that can cause nuisance to an area, where problems may arise in terms of their condition and upkeep.
- 4.3. South Cambridgeshire is an affluent area and often the homes being left empty do not cause a financial burden to the owner and are being relatively well maintained so do not pose a danger or health and safety risk. Similarly, financial incentives or penalties, such as offering grants or raising the council tax, are not always as effective in this area.
- 4.4. In some cases, property owners have more than one empty home (*empty over 2 years*). The reasons for these being empty often comes down to a redevelopment of a site. If there is a larger re-development being planned, properties may remain empty while the rest of the development site is being cleared and other properties are still tenanted or owned.
- 4.5. Within the properties empty over 2 years there were over 50 properties with the Executor of the deceased listed as the contact. This gives an indication of the number of properties that remain empty after the death of an owner. This can sometimes be due to protracted legal issues in terms of probate.
- 4.6. Empty homes are also dispersed across the District and there is no one area that has a high concentration of empty homes. They are often in the countryside and not as obviously visible as they might be in a more densely populated area such as a city or town.

- 4.7. The number of enquiries we receive about empty properties causing an issue is relatively low, averaging 5 in a year. These issues are usually dealt with by environmental health and/or planning enforcement and often relate to issues of visual amenity such as the upkeep of the garden or condition of the property.
- 4.8. The number of repeated complaints or action on the longer-term empty properties is also very low. This indicates that these properties are being fairly well kept or are in such a rural location that the effects on neighbouring properties aren't causing wide spread issues or complaints.
- 4.9. The reasons for homes being left empty are often complex and individual to a persons' circumstance. As an example, following a complaint from a neighbour regarding an overgrown garden, it was established that the property was planned for refurbishment and had been empty for some time. Unfortunately, the owner became unwell and had to move into a care home. In this instance, our planning enforcement team worked with an agent on behalf of the owner to carry out the garden maintenance required.
- 4.10. It is therefore important that any action taken by the Council is both proportionate and appropriate to the individual circumstances.

## 5. Survey of owners of empty homes.

- 5.1. In July 2021 a survey was undertaken to owners of empty homes as part of the Council Tax yearly review of empty homes. We wrote to all owners of empty properties with a paper copy of the survey and a return envelope as well as an option to respond online.
- 5.2. In total, 279 responses were received, which represents a 30% response rate. Of those responses only 93 (44%) have confirmed that they are still the owner of the property and that the property is still empty. This would suggest that the number of empty properties is lower than currently recorded.

- 5.3. As part of the survey, we asked the question: 'How did you come to be responsible for the property?'. The top answers were:
  - Inherited it (25%) / Bought to live in myself (25%)
  - Bought as an investment (8%) / Included with other properties (8%)
  - Executor of the estate (7%) / Bought for family/friend to live in (7%)
- 5.4. When asked why the property remained empty, the top three reasons were:
  - Trying to sell it 40%
  - It is being repaired/renovated 24%
  - It needs repairs/renovations 11%
- 5.6. When asked the question 'what services the Council should consider providing to help owners bring empty properties back into use:
  - 15 respondents said grants for repairs or renovations would help,
  - 5 said help or advice to find a buyer,
  - 96 respondents (79%) stating 'none of these' would help them.
- 5.7. Of all the respondents with an empty property, 85% also stated that the cost of repairs or renovations were not a reason for the property remaining empty. This indicated that making grants available may not be an effective way to encourage properties back into use.

# 6. Options available to bring Empty Homes back into use.

6.1. The Council's preference is always to work with the owner of the empty home to encourage them to bring the property back into use. We will signpost and offer advice where possible, apply disincentives through council tax and as a last resort take enforcement action where homes are causing a nuisance or harm to the community.

## **Advice & Practical Support**

#### 6.2. Shire Homes

6.2.1. Shire Homes is our in-house private sector leasing scheme and offers home owners a hassle-free way to rent out their properties. We will signpost empty home owners to this scheme where they are interested in renting out their property. Properties must be of a lettable standard to qualify for this scheme.

### **6.3. Ermine Street Housing**

- 6.3.1. Ermine Street Housing, the Council's arm's length private sector letting agent, has previously brought empty homes back into use through a leasing agreement with the Ministry of Defence. In total 53 properties have so far been occupied through this agreement in South Cambridgeshire.
- 6.3.2. Ermine Street Housing also purchase properties to rent out privately. We will also signpost owners of empty homes to Ermine Street as an option if they are interested in selling their property.

#### 6.4. Being Green to our Core

6.4.1. Renovating properties to bring back into use will generally mean the energy efficiency of homes will be improved, new heating systems installed, new doors and windows, etc. We encourage and support owners to make the most efficient use of their properties and will signpost to the latest government initiatives and grants available as part of our promotional and advisory work.

#### 6.5. Reduced VAT for long term empty homes

6.5.1. Since 1 January 2008, renovations and alterations to residential properties that have been empty for at least 2 years have been eligible for a reduced VAT rate of 5%. This applies to labour and materials associated with repairs, alterations, construction of associated garages and hard landscaping. The Council will issue letters of confirmation upon

request where evidence is required for owners to apply for the reduced VAT. Further information can be found on the government's website.

# 7. Disincentives through Council Tax

- 7.1. When Council Tax legislation was changed in April 2013, local councils were given the option to set the level of discount on certain types of properties. After consultation with local residents and property owners the Council announced that the six-month exemption in respect of properties that were unoccupied and unfurnished (Class C properties) would no longer be available (meaning that full Council Tax would be payable on these types of properties from as soon as they become unoccupied and unfurnished). In addition the Council took the option to raise Council tax to 150% for dwellings that had been unoccupied for a period of 24 months or more. There are some exceptions to the additional premium charges for unoccupied properties such as annexes or if a property is undergoing structural work or major repairs (they may get up to 12 months exemption (from the date the property was empty) from the additional premuim charge for empty homes).
- 7.2. It was also agreed to withdraw the 10% discount for furnished second homes; this now means that the full rate would be charged.
- 7.3. Class B properties, those that are unoccupied and owned by a charity (either furnished or unfurnished), will still be able to receive a six month void period followed by the full charge if still unoccupied.
- 7.4. From April 2019 the Council implemented further charges on long term empty properties to incentivise homeowners to bring properties back into use, rather than sitting empty. Homes that are empty for two years or more will be charged double their regular council tax (i.e. an additional premium of 100%)
- 7.5. From 1 April 2020 homes that are empty for five years or more are being charged a 200% premium on top of their regular Council Tax. From 1 April

- 2021 there is a 300% premium charged on top of their regular council tax for properties that have been empty for ten years or more.
- 7.6. If council tax is not paid on an empty property it is dealt with through the usual steps of any non payment of council tax. Reminders will be sent, followed by a Court Summons seeking a Liability Order. A Liability Order can be used in a number of ways to recover the money owed to the Council, including applying for a Charging Order to put a legal charge on the property for the amount due, plus costs, when the property is sold. The Council can also apply to the court to request that a forced sale is made to the property. See section 8, below for further information.

# 8. Tackling the problem of empty homes where they become an issue

- 8.1.1. A Challenging Buildings Working Group has been established in partnership with Cambridge City Council and Huntingdonshire District Council. The objectives of the group are to:
  - Prioritise the buildings that are known to the Councils in terms of repair, location and number of complaints and determine the scale of the issue.
  - Develop a prioritised strategy that will enable choices to be transparent, also identify resource to support action.
  - Be proactive and implement a standard procedure to bring a building back into use thus regenerating the local area.
  - Provide a consistent approach from all three Councils and sharing of expertise.
- 8.1.2. The Council has also set up an Enforcement Working Group that looks at all enforcement issues within the Council. Where there are issues relating to empty properties that cannot be resolved, this will be escalated to the

Enforcement Working Group to ensure we have a joined-up approach to any action identified.

## 8.2. Enforcement options to bring empty homes back into use

- 8.2.1. Exercising the option to utilise enforcement action requires considerable staff input, time, legal, and financial resource. Taking enforcement action will always be as a last resort when all other options in terms of engagement and support have been exhausted. Enforcement action must be proportionate and reasonable taking into account the harm and nuisance caused to the surrounding environment and the likely success of any court application. For some enforcement there needs to be an application to the Secretary of State or a Third Party Tribunal, who ultimately decides whether to take a case forward.
- 8.2.2. Although there are empty homes dispersed across the District we do not suffer the same problems as urban areas that have high levels of empty homes in particular hotspots that can lead to a haven for crime, vandalism, antisocial behaviour and squatting. For South Cambridgeshire it is more the lack of housing available and these properties being a wasted resource rather than empty homes being problematic, and we will always try to work with owners to resolve issues rather than resorting to enforcement action. Where properties are being well looked after, council tax paid and are not causing a particular nuisance or harm, the Council has very little powers to bring a property back into use.
- 8.2.3. In cases where a property causes major issues in terms of non payment of council tax, significant harm or nuistance to others and the owner shows a clear unwillingness to engage with the Council, there are legal enforcement options available to use.

### 8.3. Empty Dwelling Management Order (EDMO)

- 8.3.1. EDMOs are a legal power contained within the Housing Act (2004) that enables councils to take over the management of an empty dwelling with the aim of securing its occupancy.
- 8.3.2. An EDMO allows councils to take over the running of the property, carry out repairs and then rent it out. These may be considered if the owner has refused/ignored all reasonable solutions to bring it back into use and would usually only be considered for those that have been empty for a significant period of time and are a nuisance to the community. It involves building a case and making an application to a residential property tribunal for approval to make an interim EDMO.

#### 8.4. Compulsory Purchase Order (CPO)

- 8.4.1. Specific powers set out in Section 17 of the Housing Act 1985 and Section 226 of the Town and Country Planning Act 1990 allow councils to compulsorily purchase individual empty homes to enable them to be used for housing.
- 8.4.2. Compulsory purchase powers should be used where it is expedient to do so, and only where there is a compelling case in the public interest.
- 8.4.3. The Council's Compulsory Purchase Order Policy published in October 2020 sets out the approach, circumstances and conditions under which the Council will consider the use of compulsory purchase powers.

### 8.5. Enforced sale of empty homes

8.5.1. Homes that have become an eyesore, or pose a danger to the public can be subject to a range of enforcement measures using legislation. "Land that adversely affects the amenity of the neighbourhood" can be served with a Legal Notice under Section 215 of the Town & Country Planning Act 1990; or where "premises are such a state as to be prejudicial to health or a nuisance",

Notice can be served under the Buildings Act (1984). In most cases, failure by the owner to comply with a legal notice can lead to councils arranging for the works to be carried out in default and charging the costs to the owner, or registering a charge against the property. If this goes unpaid councils can enforce the sale of the property to recover all costs.

8.5.2. Where there is debt incurred due to an absent owner not paying council tax due on an abandoned property, a similar procedure can be followed to place a charging order on the property.

# 9. Equality and diversity

- 9.1. Equality is about treating individuals fairly, supported by legislation designed to promote equality and eliminate discrimination, harassment and victimisation. Diversity is about the recognition and valuing of difference for the benefit of the Council and the individual. Equality and diversity are not interchangeable but are interdependent. There is no equality of opportunity if difference is not recognised and valued.
- 9.2. An equality impact assessment has been carried out. There have been no barriers identified for any specific protected characteristics.
- 9.3. We are committed to identifying, understanding and eliminating all barriers that prevent access to services, information and employment.
- 9.4. As a major employer and provider of services, South Cambridgeshire District Council is committed to actively promoting equality and diversity, and working to combat discrimination across all nine protected characteristics:
  - Age
  - Pregnancy and Maternity
  - Sex
  - Race
  - Marriage and Civil Partnership
- Gender Reassignment
- Religion or Belief
- Disability
- Sexual Orientation

# 10. Contacts

10.1. This Strategy has been prepared by the Housing Strategy Team. If you have a query relating to the Strategy or an empty property, please contact:

Email: strategic.housing@scambs.gov.uk

Tel: 01954 713 000