

Housing Strategy and Development



Draft Empty Homes Strategy (Private Sector) 2014-2016

Homes Again - West Dunbartonshire

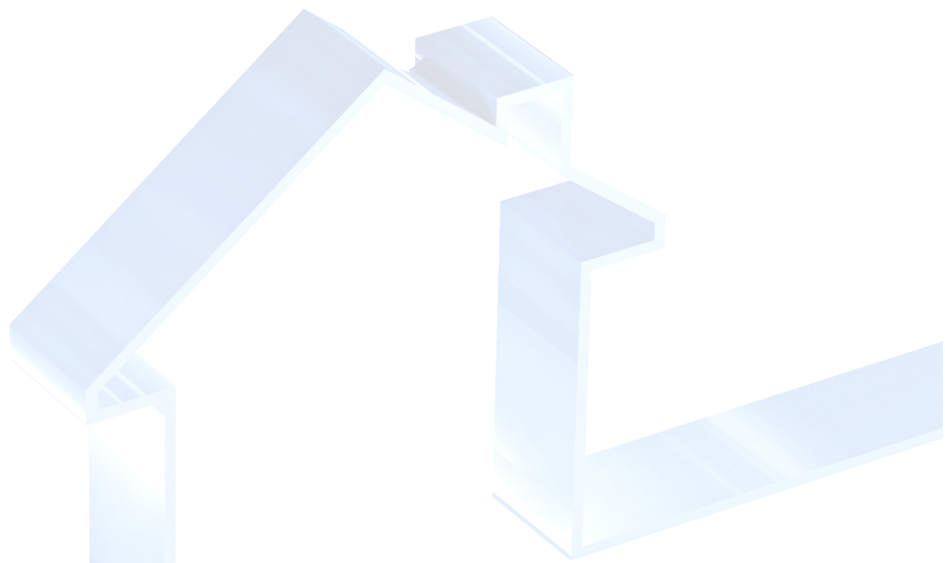
Homes Again West Dunbartonshire

Empty Homes Strategy 2014



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1. Introduction

Scottish Government Housing Policy strongly emphasises the need to encourage empty home owners to bring their properties back into use to increase the supply of housing in Scotland (both to rent and to buy) and particularly to help tackle the shortage of affordable housing. Scotland currently has 23,000 long term empty homes in the private sector - long term empties are classed as any property that has been empty for 6 months or more.

The Scottish Government's 2009 review of the Private Rented Sector "Review of the Private Rented Sector: Volume 4: Bringing Private Sector empty houses into use" identified the need for more focus on the issue of empty homes.

Therefore the empty homes problem is an issue that needs addressing by local authorities as the Strategic Housing Authority. Through empty homes work the Council can have an added boost to their income generation streams, housing supply and communities can be regenerated.

Long term empty properties can have a significantly detrimental effect on the community with issues such as fly tipping, vandalism and loss of community wellbeing. An empty home can reduce surrounding homes values by up to 18%. Crucially, local authorities such as West Dunbartonshire Council are also losing out on revenue from council tax.

A property may have become empty for various reasons such as:-

- reluctance by the owner to let out,
- probate,
- bankruptcy,
- long term care, or
- simply a lack of awareness on the owner's part.

This first West Dunbartonshire Empty Homes Strategy aims to point out how the issue of empty private sector properties can be tackled.



2. Why an Empty Homes Strategy?

Homeowners

Empty homes can be a financial drain on owners and can cause unnecessary stress and anxiety. The impact of empty homes on owners will be exacerbated by the ongoing financial climate, due to an increasing number of owners being unable to sell their properties for the desired price.

The Royal Institute of Chartered Surveyors in 2011 estimated that adjoining properties to empty homes can be devalued up to 18%. There are also crime and safety concerns for neighbours of empty homes. In addition to the fear and uncertainty experienced by neighbours these risks have a tangible cost to the community. It is estimated that the cost of securing an empty home to be £2,550 on average. There are other costs that are harder to determine, such as the costs of police, council staff, fire and fly tipping call outs to empty properties and the lost spend in the community as a result of an empty property that could be home to a family.

The cost implications of owning an empty home can be significant e.g.; the owner of a three bedroom house which has been empty for a long period of time is missing out on potential rental income of around £6,500 per annum (WDC LHA rates). Owners of empty properties are also liable for the council tax liability for the property, (the liability on a band D property in West Dunbartonshire is currently £1400). In West Dunbartonshire the Empty Homes Officer works with the owners and highlights the benefits to bringing the property back into use.

Neighbourhood

High numbers of empty properties can lead to deterioration in the quality and appearance of neighbourhoods and result in higher incidences of crime and anti-social behaviour in surrounding areas. There is a greater pressure on Council services to respond to neighbour complaints regarding dilapidated properties, community safety, and the management and investigation of anti-social behaviour.

Occupied properties are also less likely to fall into serious disrepair making the future sale of property potentially easier and more financially rewarding while safeguarding communities from serious decay.

In West Dunbartonshire the effect of the Right to Buy has led to acute housing shortages in certain communities and also the lack of particular house types. At present over 4,500 applicants remain on West Dunbartonshire Council's housing list so increasing the number of properties that can be used for affordable housing will be beneficial. In 2012/13 1369 homeless presentations were made in West Dunbartonshire, the added value of bringing empty homes into use will have an effect on increasing housing options for the most vulnerable members of our community.

Bringing long term empty properties back into use offers benefits to communities, local authorities, owners, and the environment.

West Dunbartonshire Council

Local authorities also lose out financially as a result of the council tax discount applied to long term empty properties and increased expenditure on neighbourhood and waste management services. Currently West Dunbartonshire Council has a 10% reduction on council tax on properties vacant over 6 months. From April 2014 the Council has also decided to charge the full council tax amount for an empty property plus adding an extra 100% to this if it has been empty for more than 12 months. This means empty home owners will be affected financially by choosing to keep their properties empty.

A successful empty homes strategy will:

- Increase housing available for local people
- Reduce the need for infrastructure development for new homes
- Improve community pride, wellbeing and sustainability
- Reduce anti-social behaviour and allow other residents to feel safe in their neighbourhood
- Provide a source of income for property owners

3. Strategic Links

In June 2011 West Dunbartonshire Community Planning Partnership (CPP) approved the following three new priorities to inform its new SOA 2011-2014:

- Work and Benefits;
- Safe, Strong and Involved Communities; and
- Supporting Children and Families.

Under *the Safe, Strong and Involved Communities* priority the Single Outcome Agreement (SOA) lists a series of local outcomes:

- Reduced violent crime;
- Enhanced safety of women and children;
- Reduced anti-social behaviour and disorder;
- Improved home, transport and fire safety;
- Reduced impact of alcohol and drug misuse on communities;
- Preventing people from becoming homeless;
- Improved quality and availability of affordable housing;
- Stronger, confident and more involved communities; and
- Reduced greenhouse gas emissions.

The Council has a Single Outcome Agreement and has committed to substantially reduce carbon emissions alongside Scottish government targets. Bringing empty properties back into use can help us contribute to this commitment by:

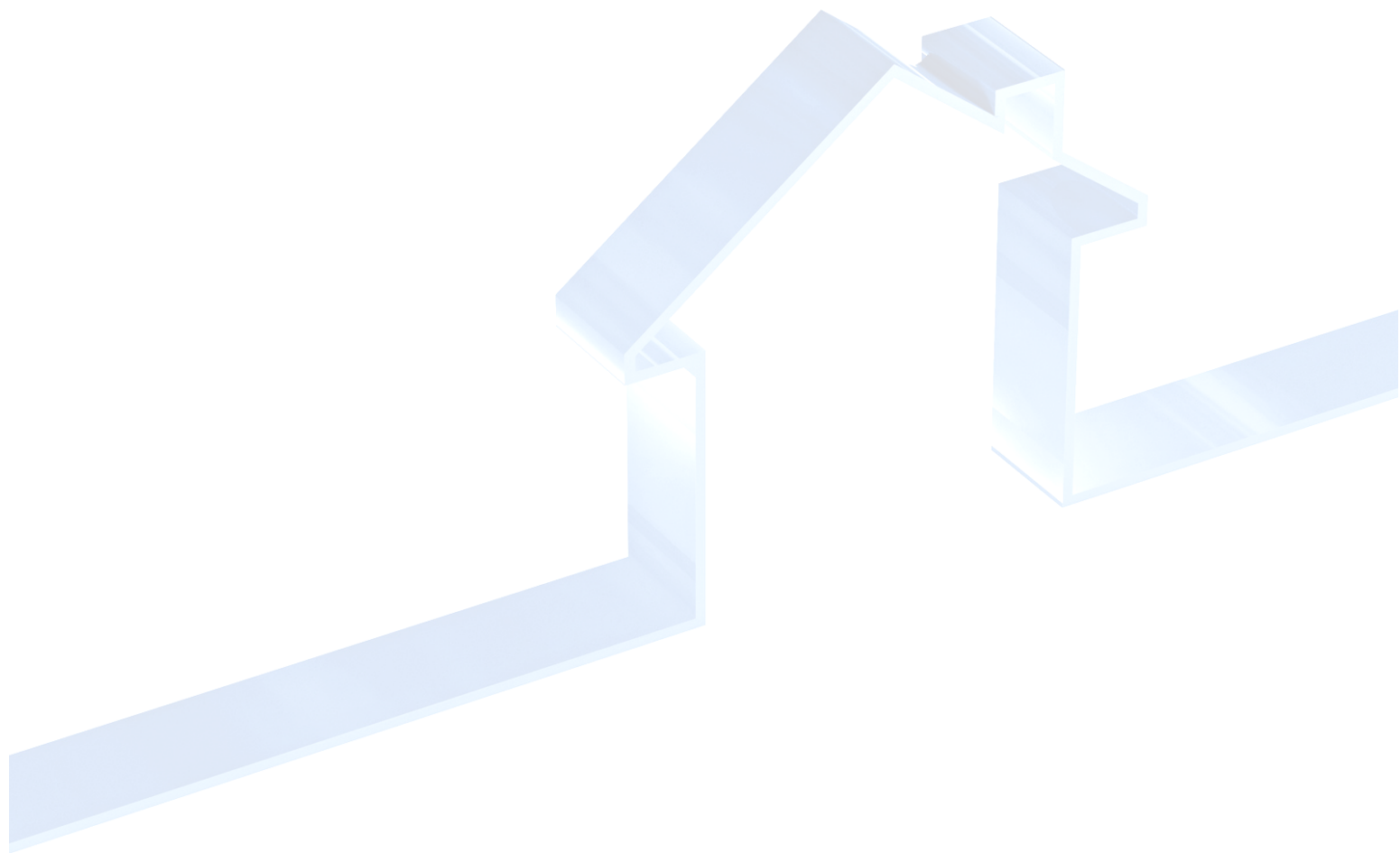
- ❖ Improving the energy efficiency of housing in the area
- ❖ Reducing the need for new building and reducing the carbon footprint in the new build process.

Local Housing Strategy (LHS)

The Local Housing Strategy (LHS) also has a focus on regeneration, reflecting the recognition of the need to improve many of our neighbourhoods and to provide housing which meets the changing requirements of our communities and one of the key actions to take forward from the LHS was the development and implementation of an Empty Homes Strategy.

Bringing empty homes back into use can also help create stronger confident communities

and reduce the potential for antisocial behaviour in the area. The development of the Empty Homes Strategy is also linked to the Homelessness Strategy to help develop a holistic housing options approach.



4. Identifying Empty Homes

Council Tax Records

The primary source for information relating to empty properties will be council tax records. The Empty Homes Officer works closely with colleagues in Council Tax to keep an accurate and up to date database of empty properties with details such as ownership, condition and use. This allows a targeted approach to bring empty homes back into use and will also improve the quality of council tax records as further investigation by the Empty Homes Officer uncovers relevant information.

Other Council Departments

Many departments within the council will come across empty properties in their day to day activities. The Empty Homes Officer makes links with the relevant department to encourage them to report empty properties that may be causing a nuisance or could be brought back into use.

External Partners

Working with external partners is vital to the success of the Empty Homes Strategy. The Empty Homes Officer will link with police and fire services to help identify problem properties and find appropriate solutions where possible.

Reportemptyhomes.com

This website gives members of the public the opportunity to report empty properties directly to the Empty Homes Officer and highlight any ongoing issues there may be. The Council can then feedback directly to the complainer any action that has been taken.

5. Owner Engagement

Engaging with Owners

West Dunbartonshire's Empty Homes Strategy will adopt a three pronged approach to engaging with owners that involves:

- ✓ Advice and Information
- ✓ Financial and Practical Assistance
- ✓ Enforcement (where necessary)

The first step of engaging with empty home owners is by sending a letter detailing the Homes Again West Initiative together with a survey for the owner to complete which will give the Council a greater insight into why the property is empty.

If we fail to receive a response we will issue further correspondence detailing the benefits of bringing their empty home back into use, an information leaflet and again a survey are also included.

Upon receipt of the owners responses, the database is updated accordingly and the Empty Homes Officer tailors the service offered to meet their individual concerns. This process has been laid out as a flow chart also, see Appendix 1 to this strategy document.

6. Incentives

Advice and Information

The reasons for homes becoming and remaining empty are increasing and varied.

In many cases, the provision of advice and information may be enough to encourage an owner to bring their property back into use. Advice and information will be made available through a suite of leaflets that are available on the Council's website.

The information leaflets that have been drawn up are as follows:

- [Empty Homes Loan Fund](#)
- [Keeping your Home Safe and Secure](#)
- [Renovations Overview](#)
- [Renovation 2yrs and 10 yrs Vat Incentives](#)
- [Builders Merchant Discounts](#)
- [Renovating your Empty Home, Energy Funding](#)
- [Matchmaker Scheme](#)
- [Renting your Empty Home](#)
- [Valuations and Home Reports](#)
- [Increasing Sale-ability](#)
- [Selling at Auction](#)
- [Property Buying Companies](#)

The Empty Homes Officer will go out to meet with the home owner at their empty property and work out why the property is empty and explain the various options that maybe available to them to aid getting the property back into use. The Empty Homes Officer will then maintain regular contact with the owner to see what stage the property is at and continually provide support and assistance until the property is brought back into use as housing.

Financial Assistance

Scottish Government Empty Homes Loan Fund

The Scottish Government launched an Empty Homes Loan Fund to provide loans to owners to help them renovate empty homes and make them available as affordable housing. Seventeen projects were approved for funding including West Dunbartonshire Council which secured £150k to deliver the loan fund. The Empty Homes Officer works with owners and administers the scheme for the Council.

In terms of the Empty Homes Loan Fund Agreement between the Scottish Government and the Council, requires that the Council offers owners of empty homes interest free loans. West Dunbartonshire Council has agreed a ceiling of £15,000 for each owner to bring their property up to an acceptable standard for letting - in this case the Repairing Standard as a minimum.

Affordable Housing

Once renovated to an acceptable standard, properties will be used as affordable housing for a minimum of 5 years. Rental income will run at a minimum of 10% below current Local Housing Allowance (LHA) rates. This income generated for the owner will be used initially to pay off loans then subsequently as income to the landlord.

Loan repayments to the council can be recycled allowing for the repayments to be used to fund further loans to upgrade more empty properties until repayment by the Council to the Scottish Government is required.

A revolving fund can be used on the basis that the Council will issue in the region of 15 loans paying back 60% to the Scottish Government by March 2019 and the remaining 40% in 2023/24.

The actual number of loans issued will depend on a number of factors including size of loan, take up of scheme and property condition, as a result it is likely to vary from the anticipated figure of 15p.a. There may be a greater number of smaller loans issued or a smaller number

of higher value loans up to the £15,000 maximum. Revisions to the Loan Fund to introduce a 'loan to sell' element are also being discussed by the Scottish Government.

To qualify for a loan a home must be empty for at least 6 months and does currently not meet the repairing standard.



7. Enforcement

Members of the Empty Homes Network in England have consistently reported that incentives paired with the expectation of enforcement action make a positive difference in engaging owners in a dialogue to bring homes back into use. Currently in Scotland, there are no specific enforcement powers directly linked to empty homes; however there are existing powers that can be used. These powers will be considered on a case by case basis where an owner fails to engage with the local authority. Options of enforcement include:

- Works Notices – Where the Council considers a dwelling to be sub-standard they can serve notice for the owner to bring the property into a reasonable state of repair.
- Dangerous Buildings and Compulsory Purchase – The Council can serve a notice requiring the owner to do work to make safe a building considered to be dangerous. Compulsory Purchase can arise where the Council has carried out work under the dangerous buildings notices and cannot trace the owner to recoup the costs.

As this strategy has concluded high numbers of empty properties can lead to deterioration in the quality and appearance of neighbourhoods and result in higher incidences of crime and anti-social behaviour in surrounding areas. There is a greater pressure on Council services to respond to neighbour complaints regarding dilapidated properties, community safety, and the management and investigation of anti-social behaviour.

The Housing (Scotland) Bill due to be introduced in 2014 may include additional powers for Scottish Local authorities , an effective strategy will ensure that West Dunbartonshire Council is well placed to deliver any change in legislative powers.

8. Monitoring

In order to monitor the impact of this strategy, criteria have to be established to determine what should be classified as a successful intervention made by the Council.

A successful intervention will be attributed where:

- ✓ An owner has informed us that the advice and information provided by the Council directly resulted in the property being brought back into use or sold.
- ✓ An empty property is used to accommodate a tenant in the Deposit Guarantee Scheme.
- ✓ An empty property is brought back into use through the Empty Homes Loan Fund as affordable housing.
- ✓ A property is bought back into use after the threat of enforcement action.
- ✓ A property is brought back into use after taking enforcement action.

A monitoring framework is in place and the Empty Homes Officer reports to an Empty Homes Advisory Board on a quarterly basis.

9. Equal opportunities

The planning and delivery of good quality housing and appropriate advice and information services in West Dunbartonshire embraces the principles of equal opportunities. The Council's Equality Scheme sets out how the Council will meet objectives in relation to race, disability, gender, age, religion & belief, sexual orientation and transgender status.

The Equality Act 2010 replaced all previous equality legislation such as the Race Relations Act, Disability Discrimination Act and Sex Discrimination Act. The act came into force on 1 October 2010 and provides a legal framework to protect the rights of individuals and advance equality of opportunity for all. It simplifies, strengthens and removes inconsistencies in the current legislation to provide Britain with a new discrimination law which protects individuals from unfair treatment and promotes a fair and more equal society.

The act covers nine protected characteristics, which cannot be used as a reason to treat people unfairly. Every person has at least one of the protected characteristics, so the act protects everyone against unfair treatment. The protected characteristics are:

- age
- disability
- gender reassignment
- marriage and civil partnership
- pregnancy and maternity
- race
- religion or belief
- sex
- sexual orientation

The strategy will assist the Council's ability to eliminate discrimination, advance equality of opportunity and foster good relations by increasing the number of homes available for affordable housing.

10. Targets

The principle aims of the strategy are to introduce measures to:

- ❖ Make effective use of housing stock in the private sector by bringing empty homes back into use
- ❖ Make positive improvements to housing conditions and the environment in West Dunbartonshire

To achieve this the following objectives have been identified:

- Provide positive support to owners of empty homes and people within the region affected by empty homes and assist them where possible to bring the empty home back into use
- Raise public awareness of issues and problems associated with empty homes, providing easily accessible advice and information
- Gather relevant and accurate information from a range of sources as to understand why properties are unoccupied and analyse to gain understanding of the issues
- Add to the supply of private rented sector stock and identify properties which may be suitable for the empty homes loan fund
- Bring back into use a minimum of 25 properties per year in West Dunbartonshire

11. Action Plan

No	Objective(s)	Target	Performance evidence
1	Build on existing empty homes and empty homes-related work in West Dunbartonshire	By June 2014 and ongoing - to develop a framework and empty homes information for the owners	Creation of empty homes documents detailing information on renting, selling, vat reductions and builders merchants discounts etc.
2	Implement and manage the Empty Homes Loan Fund	By June 2014 and ongoing – to develop the policies and procedures to administer the loan – completion a priority so homeowners can tap into the loans as soon as possible. Respond to any change in legislation that would introduce a 'Loan to Sell' element	The creation of the loan guidelines and loan agreements for council and owners with a few to issuing loans as soon as possible
3	Maintain and develop and raise awareness of a private sector empty homes database for West Dunbartonshire.	By May 2014 and ongoing. Input all empty homes information from council tax into database and carryout cleansing exercises every few months when getting updates information	To have empty homes database in place as soon as possible to aid empty homes work
4	Provide information and practical assistance to owners of empty homes to encourage them to bring their properties back into use	By June 2014 and ongoing – identify owners from Council Tax information that require assistance and work with them with the aim of bringing their property back into use	To have an active and continually updated list of empty homes cases that is being worked on

5	Develop a list of priorities across West Dunbartonshire for more concentrated work to engage, encourage and negotiate with empty home owners to help bring their properties back into use	By May 2014 – Create a list of priority properties that are being actively worked on with the owner to bring back into use	Same as above
6	Where negotiation fails, identify the most appropriate course of action to address the issues and in appropriate cases instigate enforcement action against owners who fail to co-operate	By December 2014 and ongoing – Enforcement action is limited so continuing work to help get enforcement powers heightened. CPOs would be a last case resort but case notes must be kept to document the need to progress to a CPO	Using the active list and databases the EHO would know which if any properties may become a CPO option and keep all information gathered on them
7	Ensure that any additional powers introduced through the enacted of the Housing (Scotland) Bill are utilised as soon as possible to aid Empty Homes Work in West Dunbartonshire	By September 2014, additional powers introduced as part of our strategic response to tackling empty homes in the private sector	New powers introduced and awareness raised within local authority area
8	Establish in West Dunbartonshire a procedure to tackle empty homes in the private rented sector.	By December 2014, Start to establish an Empty Homes Procedural document involved when working with empty homes	The introduction of a full procedural document and associated training.
9	Identify and pursue potential sources of funding to develop an	By March 2015 and ongoing - merchants and letting agents to see if any will offer	3 builders merchants have signed up to the

	empty homes incentive scheme, including with external organisations and partners	discounts for homeowners using their services through the empty homes initiative	scheme, continuing to work with letting agents to see if they will offer incentives also
10	Capture learning and ensure the work carried out over the term of the project leaves a lasting legacy in West Dunbartonshire by embedding policies in mainstreaming activities	By March 2016 - Actively promoting the scheme so everyone knows it is a resource that can be tapped into. Ensuring all relevant paperwork is electronically filed for anyone to access	Strategy review completed.
11	Develop a project information web portal	By September 2014, have an interactive dedicated empty homes webpage on councils webpage to allow owners to access information freely and download any documentation required	Dedicated empty homes webpage created where owners can download whatever information they think is relevant
12	Report progress to the Homes Again Partnership advisory board, which will involve representatives of the Scottish Ministers and Shelter, along with representatives from relevant departments in West Dunbartonshire	By March 2014 and ongoing – updating the board every 2 months on how the role is progressing and listing all active empty homes cases	Advisory board meetings held bi-monthly

	Council		
13	Bring over 100 empty homes back into use across West Dunbartonshire.	By March 2016 – continuing to work to ensure the properties can be brought back into use when possible	Annual report produced with performance against agreed targets.
14	Influence the development of West Dunbartonshire's Local Housing Strategy with regard the value in tackling empty homes in the private sector	By August 2016- tackling empty homes remains a key objective of the LHS	Annual report included within LHS update to Housing Committee (Feb each year)

Appendix 1 Empty Homes Flow Chart

