

FALKIRK COUNCIL

Subject: EMPTY HOMES PLAN
Meeting: EXECUTIVE COMMITTEE
Date: 19th AUGUST 2014
Author: DIRECTOR OF CORPORATE AND NEIGHBOURHOOD SERVICES

1. INTRODUCTION

- 1.1 This report provides an overview of Falkirk Council Empty Homes Plan 2014-2019 (Appendix 1) and seeks Member's approval of the final document and Action Plan. The Empty Homes Plan highlights the work that is being currently being undertaken to bring empty homes back into use and sets out the approach that Falkirk Council will take to prioritise its resources in respect of identifying and bringing back empty properties into residential use in the next five years.
- 1.2 The Falkirk Council Empty Homes Plan aims to supplement housing supply within the Falkirk Council area by making better use of existing stock through reducing the number of empty properties. Tackling the issue of empty homes is part of a wider strategy to increase the supply of affordable housing as set out in the Falkirk Council Local Housing Strategy 2011-2016.

2. BACKGROUND

- 2.1 An empty property is a nuisance, a wasted asset and, most of all, a wasted home. An empty property is not a 'standalone' issue: all property is part of a community and the condition or use of a building can greatly affect the local area. An empty property can be very distressing for neighbours, as it can become a magnet for anti-social behaviour, and is also at risk of being squatted. Owners of empty property often live elsewhere and are unaware of the impact their empty property is having on the local community.
- 2.2 The condition of privately owned homes is to be addressed under The Housing (Scotland) Act 2006 and as a means of raising the standards in the private rented sector (PRS). In 2009, a review of the PRS identified the need for a focus to be put on bringing empty homes back into use. Following this, the Scottish Government has supported measures which allow this to happen. The aim is to take a holistic view towards tackling inequalities and ensure longer term sustainability for individuals.
- 2.3 Reducing the number of empty private properties is seen as a priority by the Council and is part of Outcome 1 of the Local Housing Strategy (LHS) which is "*Best use is made of the existing and new affordable housing stock to address local needs*". There are two actions within the LHS which relate to Empty Homes and they are;
- Participate in the Scottish Government/ Shelter initiative on empty homes; and
 - Develop an Empty Homes Plan.

- 2.4 Since April 2013 the Council has been working with the Scottish Empty Homes Partnership on a shared Empty Homes Service between Stirling, Clackmannanshire and Falkirk Council. This involves a regional Empty Homes Officer working between the three Councils. In June 2013 the Council also recruited a Private Sector Officer whose main remit is empty homes. It should be noted that as of 1 April 2014 the shared Empty Homes Service includes Stirling and Falkirk Council.
- 2.5 This newly formed team has worked hard to provide a co-ordinated approach to identifying, engaging and providing information to owners of empty properties. Before attempting to engage with owners, the team carried out a number of mandatory background tasks to establish a good base to deliver help. This included;
- Creating an accurate empty homes database;
 - Researching the range of options available and utilising concise methods for assisting empty home owners i.e. renting, selling, renovating;
 - Collaborating with other Local Authorities and undertaking research to develop a suite of plain English leaflets for owners of empty properties. Care was taken to ensure these leaflets were specific to a particular issue of an empty property;
 - Constructing an Empty Homes Survey to be sent to empty home owners;
 - Setting up an Empty Homes page on the Council's website allowing both owners and other members of the public to access help and advice;
 - Negotiating discounts with local businesses for empty property owners to reduce the cost of renovation work.

Taking time to foster the methods and approach has proved worthy, resulting in the following outcomes and achievements in the past year;

- 62 properties back into use as of 18 June 2014;
- Approximately £32,000 Council Tax accrued as a result of the above properties coming back into use;
- Over 150 active cases within the team;
- Surveys sent to over 1,000 owners with an average first survey response rate of 29%, which Shelter has recognised as above average for Scotland;
- Extensive data cleansing being executed as a result of surveys being returned allowing for a more concise database of empty properties and ensuring the properties requiring help are targeted;
- A greater diversity in the number of methods being used to tackle empty homes. Each property is an individual case and through addressing owners, more complex and flexible methods have been developed to track down owners, assist with financial trouble and repossessions;
- External inspections being completed on a regular basis and the condition of empty properties monitored;
- Neighbour complaints followed up in an efficient manner, with properties brought back into use quicker as a result;
- The team is now recognised by other internal services. Services such as Environmental Health, Legal Services, Planning and Finance pass on properties to be investigated;

- Good working relationships have been created with a series of external parties including Estate Agents, Private Landlords, Property Developers and Investors who have a vested interest in bringing empty homes back into use;
- The work of the team being recognised at the Camelot Scottish Empty Homes Champions of the Year Award when the Council received a Special Mention in the Outstanding Project Category;
- The team attend the Scottish Empty Homes Best Practise Group which encourages cross Council working, officers often contact each other for advice on difficult cases and have helped each other identify owner's out-with their Council area.

3. EMPTY HOMES PLAN

- 3.1 Dealing with an empty property is a complex process and can involve many people and a substantial amount of officer time.
- 3.2 The Council's primary approach in tackling the issue of empty properties is to work with the owners to encourage them to bring the property back into use voluntarily. A greater understanding of why homes remain empty has come as a result of engaging with owners. Reasons that a home remains empty vary greatly including financial difficulties, repossession, bereavement, marital breakdown, mental health issues, the requirement of refurbishment, failed investments and abandonment.

Whatever the reason for the property being empty the Empty Homes Officer will contact the owner to outline the options available for their empty property, providing information that may help them in deciding what to do.

- 3.3 In Falkirk there are just over 1,000 empty properties at any one time. Through this five year plan the aim is to bring 30 empty properties back into use each year. Four objectives have been identified to ensure that the annual target is met and they are;
- Develop and improve the empty homes database;
 - Provide clear and effective routes to bring long-term empty homes back into use;
 - Raise awareness of empty homes in the Falkirk area;
 - Address long term empty properties that are in disrepair.

4. STRATEGY OBJECTIVES

4.1 Develop and improve the empty homes database

There are around 1,000 empty properties in the Council area at any one time. One of the first tasks the team had was to set up an empty homes database. The primary source for information about empty homes is council tax records. The main reason for this is that all Councils collect information from householders to determine the amount of council tax that should be paid by them. Councils also discount council tax for vacant properties, which is noted in the Council Tax Register. The information collected in the Council Tax Register therefore should include the name and address of the council tax payer and the date that an empty property discount came into effect.

The Council has devised a survey that is sent to all empty home owners once information is received from council tax colleagues that the property has been empty for longer than six months. The survey is how the Council instigates engagement with the owner of an empty property. Completing and returning the survey indicates that the owner is open to engagement and gives a starting point for discussions with the Empty Homes Officer.

There is a need to ensure that the database is kept up to date with regular reports from colleagues in Council Tax and through regular surveys sent to owners of long term empty properties to ensure that information the number of empty homes in the area is accurate.

4.2 **Provide clear and effective routes to bring long-term empty homes back into use.**

There are a number of schemes run by the Council which may help an owner of an empty property get it back into use.

- **Matchmaker Scheme** – this has been developed to assist owners considering selling their properties and for buyers specifically looking to buy an empty home to register an interest. The Property Matchmaker is not an estate agency, and all negotiations and sales processes take place between the seller and buyer.

Outcomes

Forty-five properties have been advertised via the Matchmaker Scheme with eight properties finding a buyer as a direct result of the Scheme. Three properties have found independent buyers with a further five purchased by the Buy Back Scheme who are notified of properties that meet their criteria, in the same manner as any other potential buyer on the Scheme.

Owners of empty properties have also fed back that although the potential buyers found through the Matchmaker Scheme were not the successful end buyer the increased attention on properties spurred other interested parties to make offers.

The Scheme has subsequently created many working relationships with Property Developers and Landlords who now actively pass on potential empty properties. This attributes to a more accurate record of empty properties in the district. Shelter has noted that Falkirk Council's buyers list, which stands at 55, exceeds most Local Authorities in Scotland.

- **Empty Homes Loan Fund** - Falkirk Council received £100,000 from the Scottish Government to provide interest free loans to owners of private properties to have renovation work carried out so that their empty property can be brought into use as affordable housing. The properties will be used by the Council for Private Sector Leasing for a minimum of 5 years.

Outcomes

The team have worked with 16 owners of empty property which resulted in three owners progressing with the initiative. Of the three owners two opted only to use the advice and assistance and have made their own arrangements, with the other owner currently working with the team to prepare drawings for a building warrant.

There are other empty home owners with an interest in the Loan Fund but are waiting on confirmation from the Scottish Government about the introduction of a Loan to Sell.

An increased uptake on the Loan Fund is expected with the introduction of this option.

While some home owners are deterred by the conditions of the loan, it has become evident that by sending them out the Loan Application packs, their awareness is increased in terms of carrying out works to bring a property up to an acceptable letting standard.

- **Private Sector Leasing Scheme** - Private Sector Leasing is a mechanism for the Council to lease properties from the private rented sector. Properties leased in this way are commonly used by the Council to fulfil their legal obligation to provide temporary accommodation to individuals following a homeless assessment. The Council will then sub-let these properties through an Occupancy Agreement.

Outcomes

Many owners have expressed interest in this scheme and there were three properties in the process of signing up when the scheme had to introduce a waiting list.

- **Deposit Scheme** - A deposit guarantee helps people to access the private rented sector who do not have a cash deposit, by providing a written guarantee to the landlord for their deposit. Anyone can apply for the scheme and they will be accepted if they can sustain a tenancy, subject to satisfactory assessment and references. Falkirk Council can provide a time limited guarantee to a private landlord for the deposit. This will allow the tenant to pay the deposit to the landlord in smaller, more manageable instalments, over a period of up to 1 year. Provided the tenant leaves the property in a satisfactory condition, they will get the deposit they have paid back at the end of the tenancy if they decide to move on.

Outcomes

Two owners are in the process of setting up their property for the Scheme with one owner currently carrying out repairs to the property to bring it up an acceptable standard.

Empty home owners are happy to consider this scheme as an option when in the process of deciding what to do with their property.

Outwith the above mentioned schemes, there are also a number of leaflets available for owners to allow the Empty Homes Officer to quickly provide tailored information to more owners and begin an active dialogue with an empty homes owner. These documents have proved extremely influential in helping an empty homes owner to gain a general understanding in options available in bringing their property back into use and the Empty Home Officer often expands on the initial advice written within the sheets. Help leaflets include;

- Access to VAT reductions for 2 yr+ empty and 10 yr+ empty properties;
- Advice on renovations and refurbishment;
- Assistance with Contractors;
- Obtaining a Home Report and Valuations;
- Dealing with Estate Agents;
- Assistance with becoming a Private Landlord and letting the property;
- Access to information on Local Letting Agents and Housing Associations.

4.3 Raise awareness of empty homes in the Falkirk area

It is appreciated that there is a need to raise awareness of issues and problems associated with long-term empty property issues and provide more publicity about the plan and the Council's approach to tackling empty homes. An Empty Homes page has been set up on the Council's website with information on the different options available to owners of an empty property. There is also a link to report an empty property through the National Report and Empty Property website.

Councillors have links with the community and their ability to publicise this issue is invaluable. Council Members have been made aware of the work being undertaken by the Empty Homes Officer and have been encouraged to report empty properties within their Ward.

Professional and private landlords are key players in ensuring private sector properties are re-occupied. The Empty Homes Officer attends the bi-annual Landlord Forum meetings with updates on e.g. the Matchmaker Scheme and Empty Homes Loan Fund.

Local media is seen as an invaluable asset to raising the awareness of empty homes and the team has made use of local publications and radio. Great use of this has been made so far and it is hoped continued success will be achieved in promoting empty homes through the local media.

4.4 Address long term empty properties that are in disrepair

Incentives paired with the expectation of enforcement can make a difference in engaging owners to eventually bring their empty home back into use. Scotland does not have the same enforcement tools as England's empty dwelling management orders but there are some enforcement measures that can be used such as works notices and compulsory purchase orders.

The Action Plan highlights the intention to develop Policies and Procedures for addressing the issue of long term empty properties that fall into disrepair. The Policies and Procedures will identify the circumstances where enforcement action is appropriate and best value for the Council. It is the action of last resort once every other option has been exhausted.

5. CONCLUSION

5.1 The Empty Homes Plan 2014-2019 sets out the range of options for bringing empty homes back into use. An Action Plan is provided as an Appendix to the Empty Homes Plan 2014-2019. This provides a detailed description of the actions that have been identified to ensure that the objectives are met.

5.2 It is recommended that updates on the progress of the actions within the plan are provided as part of the annual Local Housing Strategy update.

6. RECOMMENDATIONS

6.1 Members are invited to;

- Approve the adoption of the Empty Homes Plan 2014-2019 and the accompanying Action Plan; and
- Note that Officers will bring back an update of progress of actions within the Action Plan as part of the annual Local Housing Strategy update.

.....

DIRECTOR OF CORPORATE & NEIGHBOURHOOD SERVICES

Date: 16 July 2014

Ref: AAP190814 – Empty Homes Plan

Contact Name: Jennifer Litts (Head of Housing Management) ext 0789

Steve Bentley (Strategy & Private Sector Manager) ext 0833

LIST OF BACKGROUND PAPERS

1. Appendix 1 – Empty Homes Plan 2014-2019

Any person wishing to inspect the background papers listed above should telephone Falkirk 01324 500833 and ask for Steve Bentley.