

Executive

19 March 2020

Report of the Assistant Director for Housing and Community Safety
Portfolio of the Executive Member for Housing And Safer Neighbourhoods

Empty Property Report

Summary

1. This report provides a response to a Motion around Empty Properties. Members asked for a report to be brought as there has been a slight increase in the number of empty properties in the city. Although Members recognised that there had been a slight increase the number of reported empty properties was still low in comparison both to the regional and national picture they wanted to understand why there had been a reported rise and what options they could consider to tackle empty homes.

Recommendations

2. The Executive is asked to approve option 2:
 - a) Continue with the current strategy and level of resource within the Housing Standards and Adaptations Team (the team).
 - b) Continue to carry out Heathy Homes interventions both focusing on providing the necessary support to homeowners living in poor housing conditions and to bring empty properties that are in moderate or good condition back into use. Information about homes found to be no longer empty will be shared with Council Tax teams.
 - c) Provide a progress report and review after 6 months to the Executive member for Housing and Community Safety.

Reason: Whilst the proportion of empty properties in the City of York is very low and a significant number of those reported as empty were found to be occupied, there is a need to ensure that the council does everything possible to bring viable empty properties back into use.

Background

3. At a full Council Meeting on the 19th July 2019 Cllr S Fenton submitted a Motion around long-term empty properties in York. The motion stated:

This Council notes that despite the pressures on York's housing market, some properties in the city have remained empty for a considerable length of time.

This Council further notes:

- *That there are currently 200,000 properties standing empty in England, with 527 empty in the City of York, according to data from 2017;*
- *Empty properties can attract squatters, vandalism, anti-social behaviour and therefore can be a blight on the local community;*
- *When 1.6 million households in the UK are on social housing waiting lists, long-term empty properties are a wasted resource, particularly in York where there is considerable demand for housing;*
- *An empty property, for council tax purposes, is defined as a property that is 'unoccupied and substantially unfurnished';*
- *Since 1st April 2013, local authorities in England have been able to charge a premium of 50% on the full council tax charge, and from 1st November 2018, local authorities have been permitted to raise this premium up to 100%;*
- *From April 2021, Councils will be allowed to charge owners of empty properties up to 300% council tax premium.*

Therefore, this Council resolves:

- *That the Council should increase council tax charges to the maximum (300%), at the earliest date legislated for.*
- *Given that York has experienced a recent spike in the number of homes left empty for six months or more, that Council Officers produce a report for consideration by the Executive to examine the potential options available to the Council to further reduce the number of empty homes in the city.*

4. In response to the first part of the motion in terms of encouraging owners to bring empty homes back into use, and in line with the long term empty properties motion, the Council have already approved increasing the Council tax charge on empty properties in line with the Government legislation. This was approved at Executive on 29th August 2019 as part of the Finance and Performance Monitor Report Quarter 1. The wording was set out as follows:

From 1 April 2019 local authorities have been able to increase Council Tax charges by an additional 100% for domestic properties which have been empty for longer than 2 years. The council currently charges a 100% premium for any property that has been empty for longer than 2 years. Following this change in legislation it is proposed that the following Council Tax increments, as set out in the table below, are charged from 1 April 2020 for properties empty for longer than 5 years. This will raise an estimated additional £63k during the next financial year (2020/21).

2020/21

- *Property empty for up to 5 years + 100% of annual liability*
- *Property empty for over 5 years + 200% of annual liability*

2021/22

- *Property empty for up to 5 years + 100% of annual liability*
- *Property empty for over 5 but less than 10 years + 200% of annual liability*
- *Property empty for over 10 years + 300% of annual liability*

This remainder of this report provides a response to the second matter and focuses on domestic properties only.

5. The Council's Private Sector Strategy 2016/21¹ strategic aim 4 ("maximising the existing private sector housing stock") outlines the type of work we carry out in relation to empty homes and recognises that we have very few empty properties, especially in comparison to other councils.

In the strategy there are 3 key objectives and outcomes which relate to empty properties:

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https://www.york.gov.uk/downloads/file/9588/private_sector_housing_strategy_2016-2021

- Maintain accurate information about the numbers of long-term empty Properties.
- Encourage owners of privately owned empty homes to bring them back into use.
- Target owners whose empty homes cause a significant detrimental impact to the neighbourhood

Officers from York also work in partnership with colleagues across North Yorkshire to share best practice and deliver the North Yorkshire Empty Property Strategy

Data collection

6. The primary source of empty property data/information comes from the annual nationally collected return known as the CTB/1. Every October a wide range of statistics are collected and submitted by our Council Tax colleagues including empty property figures. It is a snapshot in time of the number of empty properties on the council tax data base recorded as being empty. Critically the information is collected for billing purposes. The information on empty properties is simply an accident of the billing process, rather than the intention of it. Council tax staff ensure residents are billed accurately based on the range of rates and exemptions (and now also Premium's) available, rather than as a tool to manage empty properties.
7. Revenues staff decide whether a property should be classified as empty for council tax purposes based on whether or not a property is 'empty and substantially furnished'. Where they have been 'empty and unfurnished' for 2 years or more they apply an Empty Property Premium (currently charged at 100%).
8. In Appendix 1 we have provided comparisons tables comparing the number of empty properties both sub-regionally and with similar unitary authorities nationally. This shows that the number of long term empty properties in York is similar or lower in comparison to neighbouring authorities and comparable unitary council areas.
9. Previous audits carried out by the team also support the view that council tax data is unreliable source data for this purpose. The previous audit completed in April 2018 found that 40% of properties reported as being empty were in fact occupied.
10. Since the last audit we have focused on two key areas of work:

- Encourage owners of privately owned empty homes to bring them back into use.
- Target owners whose empty homes cause a significant detrimental impact to the neighbourhood.

11. In October 2019, Members in response to reported increases in national data identified additional resources to enable an audit to be carried out so that they could fully understand what lay behind the recent reported increases. The audit also sought to provide information about the empty properties and whether there were opportunities to use the wide range of interventions outlined in our Private Sector Housing Strategy (PSHS) to bring as many as possible back into use.

The audit and further actions

12. Our PSHS and Private Sector Assistance Policy ² means that the Council offers a range of support for owners of empty homes. This includes:

- General advice on our website
- Bespoke advice regarding the conditions and necessary repairs to the home
- Financial support in the form of loans
- Support Empty Property Owners to auction their homes
- Refer Empty Property Owners to the YorHome Scheme

Through this approach we have been able to bring back in to use 45 long term empty properties through advice and assistance since April 2017.

13. Where necessary we will also consider other more formal action in line with our Enforcement Policy.³ Interventions in the past have included a range of notices to make the property secure against trespass and in one extreme case a Compulsory Purchase Order (CPOs). However it should be noted that CPO's are very time and resource intensive and can result in significant unrecoverable costs.

14. The key findings of the most recent empty property audit can be found in Appendix 2 but in summary it found:

² https://www.york.gov.uk/downloads/file/13439/private_sector_assistance_policy

³

https://www.york.gov.uk/downloads/file/12341/cyc_public_protection_housing_and_community_safety_enforcement_policy

- 43% of those visited so far either occupied or about to be occupied. This equates to 35% of 675 of all properties recorded as being empty on council tax
- 83% of properties on the list have been visited so far. Out of those visited 150 (27%) were confirmed to be empty
- Over 74% of the confirmed empty properties were found to be in either average/good or in excellent condition, only 3% were found to be in very poor.
- Nearly half of these empty homes were undergoing refurbishment, currently up for sale or let or awaiting site redevelopment.
- There were no geographic concentration of empty properties
- In only 10% of the cases (15 properties) the owner appeared to have no immediate plans to bring the property back in to use.
- In 170 (30%) of cases so far the reason why the property is empty has not been established. Letters have been sent to this group of empty property owners asking for more information about their occupancy.

Consultation

15. An audit of properties recorded on council tax records as being empty (see Appendix 2 for more detail)

Options

16. Given the outcome of the audit there are three options to consider:

Option 1:

17. To continue with the current strategy and level of resources to tackle empty properties. Currently we have a 0.5 FTE officer working on this area.

Option 2:

18. To continue with the current strategy and level of resources to tackle empty properties. Continue and develop a range of Heathy Homes interventions both focusing on providing the necessary support to homeowners living in poor housing conditions and to bring empty properties that are in moderate or good condition back into use. Information about homes found to be no longer empty will be shared with Council Tax teams.
19. Provide a progress report and review after 6 months to the Executive member for Housing and Community Safety.

Option 3

20. To increase the resource by 0.5 FTE to provide additional capacity to maintain up to date information and explore ways of increasing the current range of support to property owners to bring homes back into use.

Analysis

Option 1:

21. The audit found that the number of empty properties had been inflated by the council tax data as there were a significant number of properties that were occupied. This is in line with previous audits and when compared to the total number of properties in the city and to local and national comparators, the audit has confirmed that we have a relatively small number of empty properties. It also confirmed that many of the properties which were empty were either going to be occupied imminently or were being renovated. The current level of resource enables us to support owners to bring properties back in to use through advice and assistance and to take enforcement action where appropriate.

Option 2:

22. Whilst the proportion of empty properties in the City of York is very low and officers believe the current capacity is sufficient to continue to monitor the situation and provide a range of active support to property owners, there is a need to ensure that the council does everything possible to bring viable empty properties back into use. It proposes a review and progress report after 6 months.

Option 3:

23. Both the low number and relatively good condition of most empty properties and the general willingness of many owners to bring properties back in to use suggests that there isn't a need to increase staff resources at this point. However, there are clearly concerns about any properties remaining empty unnecessarily. Maintaining up to date local data and exploring all options for supporting property owners to bring homes back into use is important, which supports the recommendation for a 6 month review and progress report in Option 2.

Council Plan

- 24 Bringing empty properties back into use contributes directly towards the council plan outcomes of:
- a) Creating Homes and World class infrastructure
 - b) Open and Effective Council Effective
 - c) A better start for Children and Young People
 - d) Good health and Wellbeing

Implications

- 25 **Financial.** If option 2 is approved then there are no additional resources required.

Human Resources (HR). None

One Planet/ Equalities: Bringing back in to use empty properties, albeit small numbers in the city, will contribute by increasing the number of properties and will have a positive impact on communities with protected characteristics –see Appendix 3

Legal. There are no legal implications

Crime and Disorder: Although there are very few empty properties in the city some of these empty properties can be an open to unauthorised access resulting in criminal damage or rubbish dumped in their yards. The work of the Healthy Homes Officer helps to deal with issues presented by such properties and working with owners to bring these much needed properties back in to use can also benefit neighbours and other partners such as the Police and North Yorkshire Fire and Rescue Service

Information Technology (IT) None

Property None

Other None

Risk Management

- 26 The risks are low at the moment.

Contact Details

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Chief Officer Responsible for the report:**Report
Approved****Date** 14th February 2020

Tom Brittain

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Wards Affected:**All****For further information please contact the author of the report****Background Papers:**

Appendix 1 Local and National Comparison

Appendix 2 Empty Property Audit results

Appendix 3 Better Decision Making Tool