

COMMUNITIES AND PLACE OVERVIEW AND SCRUTINY COMMITTEE

DATE: 2ND FEBRUARY 2022

BRIEFING PAPER - EMPTY HOMES IN NORTHUMBERLAND

Report of: Elizabeth Morgan, Interim Executive Director of Public Health and Community Services

Cabinet Member: Councillor Colin Horncastle, Portfolio Holder for Community Services

Purpose of report

This briefing paper provides an overview for members regarding the issue of empty homes in the county, the measures the Council are undertaking to bring them into use and the challenges that this represents. This is an update from the initial report that was submitted in December 2019.

Recommendations

It is recommended that members consider the content of the paper and comment.

Link to Corporate Plan

This paper is relevant to the "Living - We want you to feel Safe, Healthy and Cared for" priority included in the NCC (Northumberland County Council) Corporate Plan 2018-2021 which states:

Having a decent roof over your head is fundamental to this health and well being. None of you should be forced to live on the streets, or in a "home" that is a health hazard or physically impedes independence.

The paper also contributes to the priority "**Enjoying – We Want you to Love Where you Live**" which states:

We not only want to protect and improve this quality but also make sure that the places where you live, work and play continue to evolve and grow whilst retaining and deepening their appeal.

<u>Key issues</u>

1. In October 2021 there were **2070** long term empty (LTE) properties (empty for more than 6 months), 46% (952) of which are currently charged a higher Council Tax premium rate as they have been empty for 2 years or more. This may be a slight

underestimate as there are some limitations in using council tax data for this purpose.

2. The following 11 areas have the highest number of LTE. (These areas combined equate to 59% of the number of total long term empty properties in Northumberland)

| Ashington | 290 |
|---------------|-----|
| Blyth | 252 |
| Cramlington | 103 |
| Bedlington | 91 |
| Hexham | 89 |
| Morpeth | 78 |
| Ponteland | 77 |
| Alnwick | 69 |
| Berwick | 69 |
| Amble | 52 |
| Seaton Valley | 46 |

- 3. In parts of the south east of the county, such as Blyth and Ashington, there are pockets of low demand and long-term empty dwellings which, as well as being an eyesore in the neighbourhood, can attract crime and anti-social behaviour, and could reduce the value of surrounding properties.
- 4. The private sector team have initiatives in place as a way to address such issues. For several years there have been dedicated liaison officers in areas of Ashington, Blyth and Lynemouth. This has helped to work more intensively in such areas and work closely with the residents and community groups to tackle poor quality housing and problematic empty properties. We have also implemented a robust tenant referencing scheme to ensure landlords are thoroughly vetting their tenants before letting properties.
- 5. Challenges of bringing empty homes back into use are widespread and can include internal and external factors:
 - No co-operation from the owner this make the process much longer and more expensive if notices must be served and legal need to be involved.
 - The owner engages but has limited options e.g., negative equity or property is in poor condition, and they don't have the funds to make the necessary repairs.
 - Legal Powers of other teams, for example building control when there is a dangerous structure or Planning enforcement when the amenity of the area is affected, have to be coordinated to ensure that the most appropriate option to improve the property is used.
 - The Private Sector Housing Team do not have a dedicated budget that can be accessed to assist with bring empty properties back into use. The team

are reliant on one off pots of funding so there is often no longevity with initiatives. An example of this is the funding from Homes England. This was used to bring the most problematic properties back into use via Purchase and Repair and Empty Dwelling Management Orders (EDMO's) as this funding is now spent this is no longer an option we can use to tackle empty homes.

- The Private Sector Housing Team is made up of just 4 officers who have a generic remit within private sector (so also cover property accreditation, illegal evictions, harassment cases, general advice, landlord forums/engagement) They are divided into two teams to cover the whole of Northumberland. It is therefore a challenge to ensure empty homes gets the attention it needs, particularly in the urban areas.
- 6. Over 800 properties have been brought back into use over the last 5 years, with an average of 160 per year. This figure has naturally been affected in recent times by Covid restrictions to working practices.

<u>Background</u>

Homes become empty for a variety of reasons. While many routinely become empty as a consequence of being sold and are then re-occupied, other homes remain empty for a wide range of other reasons and for longer periods of time.

Empty homes can easily fall into disrepair or attract vandalism. They have the potential to impact negatively on the local neighbourhood, but also on the wider housing market. Minimising the number of long-term empty homes across the county reduces unsightly properties whilst also helping to improve the viability of local communities and so can have social, regenerative, financial and strategic benefits.

It is important to use coordinated interventions to bring empty homes back into use. The Council has a wide range of formal and informal interventions available to help resolve the many varied problems associated with empty homes, and the careful assessment of the most appropriate course of action for each case is essential to ensure that homes are brought back into use in a cost-effective way.

The Housing Strategy for Northumberland 2019 - 2022, adopted by Cabinet on the 6th August 2019, detailed the ambitions to achieve housing choice across Northumberland through the delivery of homes for existing and future communities and to support the Northumberland economy, alongside providing well-designed and affordable homes to meet the diverse needs of an ageing population.

This overarching strategy supports the Council's aspirations for housing growth and the delivery of the Northumberland Local Plan which states;

Our strategic approach to housing provision is underpinned by the Government's NPPF requirement to positively seek opportunities to meet our identified needs for housing, significantly boosting the supply of housing to help support wider opportunities for economic growth while enabling sufficient flexibility to quickly adapt to changes in circumstances that may occur The updated Housing Strategy supports the delivery of the Council's corporate priorities and the delivery of the principle within the Northumberland Local Plan that having a decent home is fundamental to the health and wellbeing of everyone living in Northumberland.

The priorities identified within the updated strategy are;

- 1. Growing Our Communities
- 2. Supporting our Residents
- 3. Improving Homes and Communities

Priority 3 of the Housing Strategy, *Improving Homes and Communities; Making better use of existing housing stock,* underpins the Private Sector Housing Strategy.

Consequences of long term empty properties can include attracting crime, thereby reducing the value of neighbouring properties, being an eyesore, costing time and money to local authorities and being costly for the owner to maintain. There are clear economic and social benefits in overcoming these problems by returning empty homes to occupation.

As part of our drive to meet housing demand, achieve sustainable communities across the county and secure lifetime homes we will work to ensure the best use of existing homes across all tenures in the County.

The **Private Sector Housing Strategy for Northumberland 2021-2023** outlines Northumberland County Council's plans to meet people's housing needs by maintaining and improving the existing private housing stock in the County, contributing to the delivery of the Council's Corporate priorities.

The priorities within the strategy are as follows;

• Priority 1 Increase access to affordable homes in the private sector by bringing empty homes back into use

We need to make the best use of Northumberland's existing housing and ensure that it is contributing effectively to meeting our communities' housing needs. This involves empty homes becoming re-occupied to provide additional affordable housing of all types and tenures and increasing the choice of housing available particularly in the private rented sector. Some degree of turnover in any housing market is normal but long-term empty homes can attract problems such as fly tipping, vandalism and arson. These properties can be a blight on our community as well as a wasted housing resource.

• Priority 2 Encourage a healthy Private Rented Sector - Improve the condition, safety and energy efficiency of private sector housing

All private housing should at least meet the minimum standards that comply with the legislative standards ensuring that the property does not cause a physical hazard or nuisance to residents and the local neighbourhood.

• Priority 3 Provide advice and support and take action where necessary for homeowners, landlords and tenants in the private sector

Awareness of rights and obligations is relatively poor across the private rented sector. Many households in private rented properties are not aware of their rights and obligations as tenants which can lead to people living in substandard housing, for example, if they are not willing to make a complaint on property conditions to their landlord for fear of facing retaliatory eviction. This combination can lead to

poorer property conditions, unchallenged inadequate management standards and illegal eviction.

• Priority 4 Provide services to assist access to sustainable tenancies in the private rented sector

Some people want to rent privately to live in their preferred area and others may not have any other choice due to exclusion from social housing. However, for those on the lowest levels of household incomes (and those on benefits) the main issue is gaining access to the PRS. Landlords may have concerns about their ability to sustain the rent payments and often require additional security, such as a guarantor or bond, or significant upfront rent (usually at least one month in advance) before they will accept a tenant, and this is particularly difficult for those who cannot afford it and those who are trying to recover from homelessness.

The Strategy forms the framework for the development and delivery of private sector housing initiatives across the county, ensuring that all residents of all tenures across the county have the opportunity to live in safe, secure and warm homes.

Initiatives Supporting Delivery

Empty and derelict properties are a wasted resource that could be better used to relieve homelessness and address housing needs. To address these issues in Northumberland a number of initiatives have been delivered by the Private Sector Housing team. Two of the most successful schemes has been delivered through funding secured from Homes England:

- **Purchase and Repair Scheme** 12 properties that have been empty for more than six months have been purchased, repaired and let out at an affordable rent then managed by the Council. Two of these properties have been used as dispersed temporary accommodation to support the homelessness service. This has not only brought back into use some of the most problematic empty properties in Northumberland but has added to the council's housing stock. The properties are renovated to a decent homes standard and tenanted by people in housing need.
- Empty Dwelling Management Order (EDMO) Through the use of EDMO powers 15 properties empty for over 2 years have been brought back into use. The Council have renovated these properties and let them out at an affordable rent, managing each property for a period of up to seven years before returning the property to the owner. EDMOs are an enforcement power that can be used to give the council the right to take over the management of an empty residential property in certain circumstances with a view to bringing it back into use and occupation. There are clear rules and regulations about the type of properties the Council can and cannot use an EDMO on and it is only used as an option of last resort. Although the EDMO process can be lengthy it is still an extremely useful tool for the council in terms of bringing empty properties back into use.

As part of our drive to meet housing demand, achieve sustainable communities across the county and secure lifetime homes we work to ensure the best use of existing homes across all tenures in the County. Our approach is to work alongside owners of empty homes with a solution-based approach, tailored to individual circumstances and property location, to support and encourage voluntary action. However, we are also committed to using appropriate enforcement action where owners fail to take responsibility for their properties, reasonable negotiations fail or there is little prospect of the property being bought back into use voluntarily.

- When appropriate we use statutory enforcement powers to enforce the legislation to improve housing standards and ensure the health, safety and welfare of all private sector tenants
- We promote landlord self-regulation in the private rented sector through the Northumberland County Council Property Accreditation Scheme. The property accreditation scheme has recently been reviewed resulting in a more thorough and robust scheme and will be launched in early 2022. This encourages landlords to bring their properties up to decent standards and assists with letting the property out.
- The private sector team has worked closely with owners of empty properties in order to encourage and assist with bringing empty homes back into use. The team provide advice and guidance for owners of empty properties through training, landlord forums and other communication methods. Since 2015 the private sector team has, through a range of methods assisted to bring over 800 properties back into use.

Corporate Working

• **Corporate Empty Homes Forum** - A quarterly Corporate Empty Homes Forum (CEHF) is chaired by the private sector team involving officers from Finance, Legal, Planning, Public Protection (Environmental Health & Building Control), Revenues (Council Tax) and Housing.

The purpose is to provide a forum where matters of mutual interest concerning empty homes can be discussed. Actions can be reviewed with regard to particular problematic vacant properties and future action be agreed. This has been a successful tool to ensure a corporate approach, however, it was recognised that many of the long term and complicated cases were held back due to lack of funds to do things such as works in default and legal action.

In 2020 the Empty Homes Working Group was therefore created to tackle those properties that were 'stuck' in the CEHF process. This group has an allocated reserve of £50,000 and is attended by senior managers. Complex cases are considered and with targeted work taking place to resolve problems including no

identified owner where the owner has died, and continued lack of engagement with a known owner. Because of the complexity of these cases only small numbers are considered at any one time allowing for focussed interventions.

• **Council Tax** - In April 2020 the Council made significant changes to Council Tax rules impacting on a number of empty properties in Northumberland. Where a property remains unoccupied and substantially unfurnished for more than two years an additional premium of 100% is charged, meaning that the Council Tax bill will be 200%, rising to 300% after five years. From April 2021 any property that has been empty for more than ten years is liable to pay 400% Council Tax rate.

Opportunities

Providing advice and assistance to empty home owners

In the first instance, working informally with property owners is often the most effective method for bringing empty homes back into use. Contact with the owner or person responsible will identify the specific reasons that home is empty and then officers can consider the opportunities available to bring the property back into use

Property owners are encouraged to join the Council's Property Accreditation Scheme, with officers providing guidance on any repairs or improvements required to meet the appropriate standards for private renting.

In many cases, properties either become empty or remain empty as a result of the owner's inability to finance repairs or maintenance issues. This can range from relatively small funding gaps through to the need to finance major structural repairs. It is often the case that the failure to resolve a relatively minor problem at an early stage (for example a slipped roof tile) can result in its longer-term impact threatening the continued occupation, especially where the owner is not aware of the disrepair or does not appreciate the importance of investing in repairs.

In some cases, properties remain empty due to the owner's failure to market the property for sale. This may be due to an unrealistic expectation of the current market value (especially where the property is in poor condition) or concerns regarding the fees and costs associated with selling the property.

The Council has a long-established rent deposit bond scheme which provides landlords with a guaranteed financial 'bond' in lieu of a cash deposit, which allows households who are unable to fund a tenancy deposit, the opportunity of renting accommodation in the private rented sector. This scheme is of particular interest to landlords who are seeking to bring empty homes back into use.

Dedicated resource

In order to tackle some of the more problematic long term empty properties a dedicated private sector housing officer can be used to target specific areas. This involves an additional resource where the officer will cover a much smaller area (as appose to the whole of the North or South East like the other officers), often working closely with the community and local community groups to tackle the properties contributing to a number of issues in the area.

This has been successful in Lynemouth and pockets of Ashington. The officers have been able to better engage with residents and landlords and work together to tackle some of the most problematic properties and help to improve the conditions of private rented properties. If this model was to be repeated in other areas additional funding would be required.

Council Tax Discount Policy

The recent council tax changes allow the council to maximise the level of Council Tax income from those homes that are left empty for over 2 years whilst also helping to encourage owners to return empty homes back into use. This is a useful tool to encourage owners of problematic long term empty properties to work with us.

Formal Intervention

In the first instance informal action is very often the most effective approach to bringing empty homes back into use. Where informal action is pursued, the Council aims to provide transparency regarding the consequences to the property owner if actions are not completed. However, in some cases, informal action is either ineffective or inappropriate, and the Council has wide ranging powers to instigate enforcement action to secure improvements to empty homes.

Enforcement action can range from serving notices requiring repairs to be carried out, (e.g. repairing a gutter that is leaking onto a neighbouring property) through to the Council considering the use of compulsory purchase powers. Action can be taken using both housing and planning powers as set out in the Council's Scheme of Delegation.

Instigating Enforcement Action

Where the Council takes enforcement action it will be proportionate to the individual circumstances of the case and will contribute to the overall aim of either returning the property back into use or reducing the negative impact that the property poses to the locality.

Action will be instigated that is timely and will assess the impact of individual empty homes on neighbouring homes, and the wider neighbourhood.

Where an empty home causes a severe negative impact within the neighbourhood, and where informal action is not completed by the property owner, formal enforcement action

will be prioritised. This will maximise the effectiveness of the Council's interventions and reduce the negative impact that the empty home places on its neighbourhood. Enforcement action may not be appropriate where the negative impact of the empty home is not considered to be severe.

All reasonable costs incurred in taking the enforcement action will be recovered which may result in a legal charge being placed on the property to recover costs and interest accrued since the action was taken. In cases where debts have accrued following enforcement action, the Council may seek to enforce the sale of the property to settle those debts.

Case studies of where interventions have been successful are provided at appendix 1.

Implications

| Policy | Supports the delivery of the Corporate Plan and the priorities within the Housing Strategy for Northumberland 2019-2022 and the Private Sector Housing Strategy 2021-2023 |
|------------------------------------|--|
| Finance and | There are no direct financial implications arising from this report. |
| value for money | Reducing the number of empty homes has a positive impact on the budget. |
| Legal | The EDMO process is completed in line with requirements of the Housing Act 2004. |
| Procurement | none |
| Human Resources | none |
| Property | Properties brought back into use through EDMO are managed by the Housing Management Team through a management arrangement. Those acquired through Purchase and Repair are added to the council-owned stock sitting within the Housing Revenue Account, increasing the Council's portfolio of available housing. |
| Equalities | Ensures fair access to housing |
| (Impact Assessment attached) | |
| Yes □ No □ N/A □x | |

| Risk Assessment | none |
|---------------------------|---|
| Crime & Disorder | none |
| Customer Consideration | By bringing properties back into use we are improving local communities for residents of Northumberland whilst increasing the amount of available homes, making best use of existing stock. |
| Carbon reduction | none |
| Health & Wellbeing | Improving the environment in which communities exist by reducing the number of empty homes and the consequences of that will have a positive impact upon the health & wellbeing of residents. |
| Wards | All |

Background papers:

none

Report sign off.

Authors must ensure that officers and members have agreed the content of the report:

| | Full Name of Officer |
|-----------------------------|----------------------|
| Monitoring Officer | Suki Binjal |
| s151 Officer | Jan Willis |
| Human Resources | N/A |
| Procurement | N/A |
| IT | N/A |
| Relevant Executive Director | Elizabeth Morgan |
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Appendix 1

Empty Homes Case Study 1

The property is a substantial 2 storey semi-detached three-bedroomed house with gardens to the front, rear and side and a detached garage within the curtilage. The property is in a prominent location in a comparatively desirable area close to Blyth Town Centre.



Before intervention

The Private Sector Team had been actively involved with this property since February 2016 when the first complaint was received from the office of MP Ronnie Campbell who had received a complaint from a constituent stating the property was in poor condition and causing damage to a neighbouring property. Council Tax records showed that the property had been empty since November 2008, however it had been coded as a 'second home' and did not attract the empty homes premium being levied. An officer visited the property shortly after the complaint was received and investigation commenced to identify the circumstances around why the property was empty and to confirm the ownership and any others with a legal interest.

The property was causing a significant nuisance to the local community and the Police had been called out on several occasions by worried members of the public who were concerned about the anti-social behaviour that the property attracted in its condition. A referral was made to Planning in February 2016 who then opened a case investigation resulting in an enforcement notice being served requiring the owner to take the necessary steps to remedy the untidy land. The owner did not respond however no further action was taken by the Council at that time, but the case kept under review. The condition of the garage was steadily deteriorating and was reported to Building Control during April 2018. The garage was not found to be an immediate risk, but with the ongoing complaints and concerns from the community it was kept again under constant review. A Community Protection Notice Warning (CPNW) was issued on 8th October 2018 requiring the owner to clear vegetation from the gardens and clear the accumulations of waste. The owner again did not comply with the requirement of the enforcement warning notice which had been issued under the Anti-social Behaviour Crime and Policing Act 2014.

Throughout this time the Private Sector Housing Team had written to the owner on several occasions but had never received a response inviting them to actively engage with the Team to look at options to bring the property back into use. This lack of any response, the ongoing regular complaints and concerns from the Police and wider community and the deteriorating condition of the property and land resulted in the decision that the best course of action was to apply to the First Tier Property Tribunal for an Interim Empty Dwelling Management Order (EDMO) to effectively take control of the property and ensure its sustained long-term occupation as a family home.

Prior to any enforcement action taken the team needed to establish more detail about the property and the owner. With guidance from the council's legal team the officers were able to carry out an investigation to establish that the property was empty, and that the owner had not visited the property for several years. Correspondence was made with the utility company, who confirmed there had been no electricity or gas used at the property for several years. Regular visits to the property showed that the overgrown bushes outside of the front and back doors would mean no access into the property without being removed. Further visits to the owner's home address and discussions with neighbours to identify more details about the owner with hope that a mutual agreement could be made regarding the action taken on the property. This would then give enough evidence to prove that the owner had no intention of bringing the empty home back into use. This is often a time-consuming task; however, it is necessary to grant approval to take enforcement action.

Following the investigation an application was made for a Warrant of Entry at Bedlington Magistrates 15th July 2019. This was approved and officers were able to gain entry to establish the internal condition of the property. A full survey was carried out and estimates on the costs of works to bring the property up to a lettable standard. After consideration had been given to the viability of carrying out an Empty Dwelling Management Order (EDMO) it was agreed that the first step of the process, which was to serve a 3 month notice of intention to carry out an EDMO.

The required Notice of Intention (3 months) to apply for the EDMO was served 26th July 2019, during this 3-month notice period the officers were able to continue with their investigations and complete the required documents in preparation for applying for the EDMO. Once the 3-month notice had expired, and the team were satisfied the owner had not made any attempt to bring the property back into use the full application was made to the First Tier Property Tribunal. Once this had been acknowledged further instructions were given to provide substantial evidence to the tribunal and to copy in the owner with all

correspondence sent. The evidence file was completed which included a full officer statement of the action taken so far, evidence and any legal notices. This was submitted and a visit to the property was arranged by case officer from the property tribunal. The decision by the Tribunal to grant the EDMO was duly made and came into force 18th September 2020. There was a significant delay in the EDMO being granted due to Covid-19 and the courts closing due to the national lockdown.

Works started to repair the property straight away and were completed on 23rd March 2021. The result now after 5 years of multi-disciplinary combined approach from across the Council is a much needed home for a family within Blyth who were in extreme housing need and had been seeking help and support from the Council's Homeless and Housing Options Team.



After intervention.

Empty Homes Case Study 2

This case study details a semi-detached former local authority owned house, but subsequently privately owned which had been empty from 2008. It had been sold in 2010 but the property was consistently left unoccupied by the new owner.



Before intervention

Various officers from the Private Sector Housing Team had tried to contact and engage with the new owner with no response. This involved visiting the property and leaving calling cards, telephone calls and letters sent to their home address.

The property was subject of numerous complaints regarding the condition of the gardens back and front, boundary fences, fly tipping and ASB due to youths congregating and concerns were increasing amongst the community about the property remaining empty and the issues this may cause.

Following mounting complaints in 2017 it was considered the best course of action would be for the Council to consider proceedings to make an Interim Empty Dwelling Management Order by application to the First Tier Property Tribunal with the outcome being that once granted the Council would effectively take over the management and secure the occupation of the property. At this stage, the owner made contact and advised that she would be happy to consider this option due to lack of funds to carry out refurbishment herself. However, again lack of contact from the owner subsequently followed and officers were unable to contact the owner.

Between January and July 2018, the property was inspected/monitored on a weekly basis and numerous attempts were made to telephone the owner with follow up letters also being sent. The property was also referred to Planning for their investigation, but no action could be taken at that time as it was considered not detrimental to the amenity of the area under the Town and Country Planning Act and the condition of the property did not affect the street scene. However, as the condition of the gardens and fencing was clearly having a detrimental effect on the lives of those in the locality, it was persistent and not reasonable, a Community Protection Notice Warning was served January 2019 requiring the owner to carry out the necessary works to the garden to remedy the ongoing situation.

There was no response to the warning letter and following confirmation that no work had been carried out the Community Protection Notice (CPN) was served on the owner in April 2019. The property was monitored and once established that again the notice had not been complied with and there were breaches evidenced, prosecution commenced and was heard in October 2019 in Magistrates court. The owner of the property was found guilty and was fined £2500.

Following the prosecution the gardens were cut back and cleared but no work to boundary or shared fencing were carried out and overall the failure to adhere to the requirements of the CPN and Court directions resulted in re-occurring problems with complaints again being received by the Council.

A second prosecution was prepared following the evidence of a persistent breach of the CPN and the owner was advised of the Council's intentions to do so. This impelled the owner to sell the property and the sale was completed in May 2021 with a new owner occupier who has from that date maintained their home.



After intervention