Empty Homes Action Plan
2017 – 2022
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1. **Background**

1.1 There are an estimated 610,000 empty homes in England, with 210,000 homes left unoccupied longer than six months.

1.2 91% of 610,000 properties are owned privately, the remaining properties are in the ownership of Social Landlords.

1.3 There are a wide range of reasons, why a property is left empty;

- Owners move out for the area for work
- Properties where owners are holding the property as an asset, speculating that area prices will increase;
- Property has been inherited after the death of a relative and the new owner is unwilling or unsure how to dispose of the property.
- The dwelling may be used for only a few weeks of the year
- Property has been damaged by previous tenants and the landlord is unable to finance repairs to re-let;
- Property is an area where there is low demand and the owner is unable to either sell or rent the property;
- The resident has moved into residential care; and
- Occupation prohibited by the Police as part of an ongoing investigation or the owner is currently in jail.
- Occupation prohibited by another agency, where the property is assessed as too dangerous for occupation.

1.4 Bringing long term* empty homes back into use was also highlighted by the Government as a key priority in ‘Laying the Foundations’, a Housing Strategy for England. This strategy led to a number of incentives being put into place to support local authorities and their partners including;

- The payment of New Homes Bonus for long term empty properties brought back into use;
- Changes to Council Tax exemptions for empty homes and the introduction of the Premium Council tax charge for properties left empty over 2 years.

*Property assessed as empty 6 months and over.
1.5 Councils have a plan for the current and future housing needs of the local population across all tenures. The overall role of Council’s in housing is a strategic role. This is clarified in ‘The Strategic Housing Role for Local Authorities’ sets out the powers and duties in five key areas;

- Assess and plan for the current and future housing needs of the population across all tenures;
- Make the best use of the existing housing stock;
- Plan and facilitate new supply;
- Plan and commission housing support services which link homes and housing support services and;
- Work in partnership to secure effective housing and neighbourhood management on an ongoing basis.

1.6 The Council recognises its own duty, valuing the importance of bringing empty properties back into use.

1.7 Empty Homes is a ‘Key Issue’ in the emerging Housing Strategy for North East Lincolnshire and within the Council’s Outcome Framework;

‘All people in NEL enjoy & benefit from a strong economy’
Reduce the number of Empty Properties
“All people in North East Lincolnshire feel safe and are safe”
All people feel safe in their homes and outside of their homes

1.8 In previous years, the Council have financed a number of capital schemes to bring properties back into use. These included; grants to enable owner occupiers to buy empty property and loans to encourage landlords to invest in the area.

1.9 There is currently no further funding available to offer such schemes in the future. This means the Council needs to take a more diverse approach to bringing empty property back into use.

1.10 Currently, the Council’s only tools to bring empty properties back into use are;

- Advice and assistance
- Enforcement
1.11 There are only three methods of enforcement that can bring about a change of ownership, that can ensure the Council forces the property to be re-occupied. These are:

- Empty Dwelling Management Orders
- Compulsory Purchase Orders
- Enforced Sale

Empty Dwelling Management Orders and Compulsory Purchase Orders require Capital Investment from the Council or other parties.

2. Number of Homes Empty in the Borough

2.1 When assessing Empty Homes, Local Authorities use Council Tax Data.

2.2 Once a property becomes empty, the owner has a responsibility to inform the Council, that there has been a change in occupation status.

2.3 There are a number of reasons why Council Tax Data may not show the true picture;

- Owner records the property as occupied, or as a second home to avoid paying empty homes premium, and
- Property has been removed from the Council Tax system due to severe disrepair.

2.4 Removing a property from the valuation list means it will no longer exist for Council Tax purposes. If a property is deleted from the valuation list, the owner is no longer liable for Council Tax. When the property is brought back into use, it will be re-banded and treated as a new dwelling.

2.5 The total number of residential dwellings in North East Lincolnshire is 73896. The total number of vacant dwellings is 3818, or 5% of the total housing stock. of which 1462 have been void for 6 months or longer (Council Tax Records: April 2016)
3. Impact of the Premium Rate of Council Tax

3.1 Properties left vacant for 2 years and over can often be neglected, derelict, attract anti-social behaviour and vandalism. They are often properties that are difficult to find solutions to help bring them back into use.

3.2 Changes in Council Tax charging implemented on 1st April 2013 could serve to reduce the number of vacant properties in the borough by increasing the financial burden on owners who allow their properties to remain empty. The changes that came into force in North East Lincolnshire are:

- The removal of the discount applied on second homes, with council tax being charged at 100% for these properties;
- Removal of the one month exemption where a property is vacant but unfurnished. Council Tax is now charged at the full amount on the date the property becomes vacant.
- unfit properties (e.g. those with structural problems) are no longer exempt but have a discount of 50% for up to one year.
- properties vacant for over 2 years must now pay an additional 50% Empty Homes Premium if they fail to engage and bring the property back into use.

3.3 Properties allocated to Council Tax Status April 2016

![Pie chart showing the distribution of empty properties]

<table>
<thead>
<tr>
<th>Current Status (According to Council Tax)</th>
<th>Number of Empty Properties</th>
</tr>
</thead>
<tbody>
<tr>
<td>Premium 50 Status</td>
<td>66</td>
</tr>
<tr>
<td>Long-Term Empty (standard)</td>
<td>342</td>
</tr>
<tr>
<td>Structural Repairs (standard)</td>
<td>19</td>
</tr>
<tr>
<td>Second Home</td>
<td>106</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>---------------------------------</td>
<td>-----</td>
</tr>
<tr>
<td>Awaiting Probate</td>
<td>33</td>
</tr>
<tr>
<td>Probate Granted</td>
<td>2</td>
</tr>
<tr>
<td>Hospital/Residential Care</td>
<td>25</td>
</tr>
<tr>
<td>Property repossessed</td>
<td>8</td>
</tr>
<tr>
<td>Occupation Prohibited</td>
<td>8</td>
</tr>
<tr>
<td>Awaiting Minister of Religion</td>
<td>2</td>
</tr>
<tr>
<td>Dwelling that forms part of a single property which can’t be let (e.g. annexe)</td>
<td>14</td>
</tr>
</tbody>
</table>

3.4 Only 66 properties qualify for the Premium 50 Status, out of 625 properties classed as empty for 2 years and over. 342 properties are classed as Long Term Empty and don’t pay the additional 50%. If the 342 long term properties were reassessed and half of these were re-classified as the Premium 50 status, the council could receive an additional £77,000 annual revenue.

*(figure based on 171 properties x £448.40 (50% of current Band A Council Tax Grimsby 2016/17)*

3.6 Further analysis is required to see how the Premium 50 could be used as a deterrent to leaving a property vacant.
4.  Overview of the wards most affected by Empty Homes.

4.1 Figure 2 – Percentage of all Empty Homes, split by ward.

The above table shows concentrations of empty properties around the West Marsh, Sidney Sussex, and Croft Baker wards. The East Marsh has the higher percentage of Empty Homes.

4.2 Table of Empty Homes Split by Ward and Classification

<table>
<thead>
<tr>
<th>PERCENTAGE SPLIT BY WARD</th>
<th>All Empties</th>
<th>Under 6 months</th>
<th>Between 6m - 2y</th>
<th>Over 2 Years</th>
<th>PREM50 Class</th>
</tr>
</thead>
<tbody>
<tr>
<td>Croft Baker</td>
<td>8.8</td>
<td>8.6</td>
<td>7.1</td>
<td>11.6</td>
<td>16.7</td>
</tr>
<tr>
<td>East Marsh</td>
<td>17.8</td>
<td>14.9</td>
<td>23.5</td>
<td>13.5</td>
<td>24.3</td>
</tr>
<tr>
<td>Freshney</td>
<td>3.6</td>
<td>3.6</td>
<td>3.3</td>
<td>4.6</td>
<td>1.5</td>
</tr>
<tr>
<td>Haverstoe</td>
<td>3.4</td>
<td>3.2</td>
<td>3.8</td>
<td>3.7</td>
<td>0.0</td>
</tr>
<tr>
<td>Heneage</td>
<td>8.0</td>
<td>8.1</td>
<td>6.8</td>
<td>10.0</td>
<td>6.1</td>
</tr>
<tr>
<td>Humberston &amp; New Waltham</td>
<td>5.4</td>
<td>4.7</td>
<td>5.8</td>
<td>6.4</td>
<td>3.0</td>
</tr>
<tr>
<td>Immingham</td>
<td>6.6</td>
<td>6.4</td>
<td>7.6</td>
<td>5.5</td>
<td>4.5</td>
</tr>
<tr>
<td>Park</td>
<td>8.2</td>
<td>8.1</td>
<td>7.6</td>
<td>9.5</td>
<td>9.1</td>
</tr>
<tr>
<td>Scartho</td>
<td>4.0</td>
<td>4.4</td>
<td>4.4</td>
<td>2.9</td>
<td>1.5</td>
</tr>
<tr>
<td>Sidney Sussex</td>
<td>9.8</td>
<td>10.4</td>
<td>8.3</td>
<td>11.3</td>
<td>7.6</td>
</tr>
<tr>
<td>South</td>
<td>6.1</td>
<td>7.3</td>
<td>5.9</td>
<td>2.9</td>
<td>7.6</td>
</tr>
<tr>
<td>Waltham</td>
<td>2.4</td>
<td>2.5</td>
<td>1.8</td>
<td>2.9</td>
<td>3.0</td>
</tr>
<tr>
<td>West Marsh</td>
<td>8.5</td>
<td>9.9</td>
<td>7.6</td>
<td>6.8</td>
<td>10.6</td>
</tr>
<tr>
<td>Wolds</td>
<td>2.9</td>
<td>2.3</td>
<td>2.6</td>
<td>5.9</td>
<td>0.0</td>
</tr>
<tr>
<td>Yarborough</td>
<td>4.5</td>
<td>5.6</td>
<td>3.9</td>
<td>2.5</td>
<td>4.5</td>
</tr>
</tbody>
</table>
5. **Recommended Action**

5.1 **Community Interest Company (CIC)**

The proposed CIC is a joint venture to help drive regeneration in the area. It can be a self-sustainable vehicle to bring empty homes back into use and improve living standards.

It will revolutionise the Council’s approach to dealing with empty homes. It will coming away from a reliance on capital funds and drive forward the Council’s ambition to build a stronger economy, by enabling employment and homeownership.

As a CIC it has the potential to attract funding from other sources, which the Council would be ineligible for.

An ambitious project which aims to;

- Help to redress the imbalance between poorly managed private sector rented homes and home ownership, by providing quality homes for sale which low income households can afford.
- Provide good quality rented homes
- Provide an ethical lettings agency, promoting a responsible lettings service
- Provide opportunities for skills training, apprentices and employment

Properties purchase by the CIC will be refurbished in partnership with Grimsby Institute of Further Education. These properties will either be owned by the CIC and rented out, or sold to encourage home ownership.

The CIC will only let properties that have a minimum E Energy Rating, with accommodation up to a quality standard. There is also an ambition to fund energy efficiency innovation to lead the way in how we look at retrofitting our existing housing stock.

The CIC provide an opportunity to offer affordable home ownership options through rent to buy, homesteading or discounted purchase schemes.

It can enhance delivery of formal action by providing a vehicle for delivering an empty dwelling management scheme, whereby owners who are unwilling to engage have the property taken away from them, improved through powers under the Housing Act 2004. The responsibility for refurbishing and reletting the property remains with the Council, through the CIC. Rental income pays for the cost of refurbishment and letting fees. The property is then returned to the owner after 7 years.
5.2 Working with Landlords

Whilst there may not be able to offer financial incentives to bring a property back into use, the Council intend to work with landlords to bring properties back into use.

- **Consultancy**

Through its partner ENGIE, the Council will offer a bespoke Consultancy Service, to work with owners of empty property. The Consultancy will help remove barriers preventing an owner bringing a property back into use. They will provide advice and assistance on current legislative standards, advice on how to finance repairs and find a buyers.

- **Engagement**

Regular e-newsletters to owners of empty homes, providing helpful advice, assistance and any updates on enforcement action taken by the authority.

Campaigns to reach out to residents, asking them to be our eyes and ears. We want residents to let us know if a property is empty, if it’s causing a nuisance for example; if it’s attracting fly tipping, or if there are regular intruders or criminal activity at the property. This will help us to build up a case to take to the owner of the empty property, so we can start to work with them.

- **Ensure the most appropriate enforcement measures are utilised**

Where all other avenues have failed, the Council will take a proactive stance on enforcement.

The Council will work with other agencies, to gather and share intelligence, which will improve opportunities to work with landlords to evidence the impact their neglect has on the borough.

This will include;

- Working with the Fire Service, Safer Communities and Police to prevent and tackle Arson and criminal activity, which centers around empty property.

- Ensuring the owner is liable for the Council Tax payment and where the property has been empty for over two years they pay the premium charge.

- Enforce the sale of properties left empty and neglected where owners of empty property have accrued debts to the local authority through;
  - Nonpayment or Council Tax arrears
  - Removal of Fly Tipping Waste
• Works in default where there property is causing a statutory nuisance to neighbouring properties.

• Frequently boarding up the property to prevent access by intruders

A more proactive and targeted approach to enforcement needs to be implemented, to deter owners in general from leaving the property vacant.

There will be regular press releases to name and shame owners who have left properties neglected in the borough and subsequently prosecuted.

6. Delivery Action Plan

<table>
<thead>
<tr>
<th>No</th>
<th>Task Description</th>
<th>Description</th>
<th>Target Dates</th>
<th>By Whom</th>
<th>Completed by</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>To establish a CIC with key stakeholders</td>
<td>The CIC will need to be setup, funding confirmed and ready to launch</td>
<td>April 2017</td>
<td>All Partners</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Develop and put in place new working practices with Council Tax</td>
<td>Properties left empty for more than 2 years can attract Council Tax of 150%. Improved joined up working will enable the Empty Homes Team to use this as a penalty for leaving a home empty.</td>
<td>December 2016</td>
<td>Council Tax/ENGIE</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Improving information submitted by residents when they report an empty home</td>
<td>Residents can be our eyes and ears. They know more about these properties. We could ask locals to provide additional information about properties e.g. has there been any vandalism, squatters, anti-social behaviour, or has the property deteriorated. They could take pictures with mobile phones and upload them to the Councils website. This would assist us gather data.</td>
<td>April 2017</td>
<td>NELC/ENGIE</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Establish an Empty Homes Consultancy</td>
<td>Offer advice on initiatives to encourage ethical landlords to invest in the area.</td>
<td>April 2017</td>
<td>ENGIE</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Integral to the CIC, set up a Private Sector Lettings Agency</td>
<td>Managing properties, on behalf of owners of empty homes and properties taken under Management Orders.</td>
<td>April 2018</td>
<td>CIC</td>
<td></td>
</tr>
</tbody>
</table>
Explore opportunities to fund Area Based Regeneration

In some areas of the borough, empty homes are a symptom and not a cause of the area’s decline. The Empty Property Team will source funding with partners to bring additional funding to help improve the areas, making the empty properties a more attractive lettings and investment opportunity.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Target</td>
<td>60</td>
<td>70</td>
<td>70</td>
<td>75</td>
</tr>
<tr>
<td>Actual</td>
<td></td>
<td></td>
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</tbody>
</table>