Empty Property Strategy

2009-2014

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Foreword by Councillor Pat Coleman, Special Advisor on Housing

Welcome to Dartford’s draft Empty Property Strategy for the next five years.

This is the second Empty Property Strategy the Council has produced, the first having been published in 1995. The situation however, is very different now as there are many more empty properties, due in part to the current economic. However, the Council has better access to schemes and funding to enable us to encourage and assist owners to bring their empty properties back into use. As a last resort, we have powers to force action.

This Strategy will direct and focus our work on empty properties. It contains a number of new initiatives and an action plan that will help address especially the problem of long term empty properties that deny homes to people who need them; cause problems for owners and residents and contribute to anti-social behaviour.

We aim to bring approximately 250 empty properties back into use over the next five years, a significant improvement on previous performance.

The Council cannot tackle these problems on its own however, and we will work in partnership with landlords and agents to address these issues and help improve the environment in Dartford for all residents.

1. Introduction

It is important to define what is meant by an ‘empty home’. It is normal for a certain number of homes to be empty as they may be someone’s second property or empty in the short term while they are being sold. However, some homes are left unoccupied for much longer and homes that are unoccupied for more than six months are the focus of this strategy. Properties which have been empty for less than six months will be dealt with outside of this strategy, where they are giving rise to acts of antisocial behaviour, involve health and safety issues affecting the local community or are otherwise detrimental to the amenity of a neighbourhood.

Properties become and remain empty for a number of reasons including:

- They are transitional pending a change of owner
- The owners are not aware or do not understand the options available to bring properties back into use
- They are left empty by the resident moving into residential care
- The owner has died and the state is awaiting the appropriate legal action
- Perceived problems with renting the property
- Extensive maintenance problems combined with low value of the property
- The owner is awaiting an upturn in the market
- There is a covenant restricting type of use of the property
- Owners’ disinterest

We are primarily concerned with ensuring that long term empties can be brought up to standard and back into use to provide homes for those who need them. We are also concerned that these properties cause a number of problems including disrepair and neglect leading to the property becoming an eyesore for local residents and reducing the value of neighbouring properties. This can also lead to vandalism and anti-social behaviour, particularly where properties are derelict and also leads to loss of revenue for the owner. Specifically, this strategy has been developed to:

- give support to the Borough’s Housing Strategy by helping to increase the supply of affordable housing and achieving a reduction in the use of Bed and Breakfast/nightly paid accommodation
- continue to attract funding and resources to assist landlords in bringing their property back into use
- encourage economic vitality
- provide information that will feed into the Council’s Local Development Framework and support local planning policy
- provide additional rental housing for those in housing need
- discourage crime and vandalism
- protect our green belt and open spaces by redeveloping Brownfield sites and making the most of existing housing
- ensure community vitality and self-confidence
- discourage fly tipping which may attract rats and mice with associated risks
- reduce environmental enforcement costs
- discourage local property price devaluation, e.g. neighbouring properties can be devalued from as much as 15% upwards.
- reduce the Carbon pollution impact from new developments
- offer advice and support to empty property owners on protecting their asset whilst unoccupied.
- avoid wastage - The Royal Institute of Chartered Surveyors has estimated that the average annual costs of keeping a property empty are in excess of £7000. This figure includes costs for council tax, insurance, repair costs (both by the owner and the local authority) and loss of rental income.

The council cannot do this work alone however and will aim to work in partnership with landlords, Housing Associations, Registered Social Landlords, local agencies and the community in the implementation of this strategy.

The Empty Property Strategy will have a vital role to play in the regeneration and development of the Borough. Bringing empty commercial buildings back into use can also provide extra residential dwellings, where appropriate, or provide suitable premises for new and existing businesses in the Borough, potentially increasing employment opportunities. Commercial properties are also within the scope of this strategy.
2. Aims of this Strategy

The main aims of this strategy are to:

**Reduce** the number of long term empty properties (residential, unused offices and shops) within the Dartford area

**Increase** the supply of rented accommodation in the private sector

**Improve** the local environment and contribute to the regeneration of run down areas

**Raise awareness** of empty properties locally

**Ensure** landlords have access to advice and information in order to prevent a property becoming long term empty

**Set out** an action plan with targets and milestones to deliver the strategy up to 2014

3. The Strategy for Dartford

It is intended that the Empty Property Strategy should link with and complement other strategies produced by the Council.

The Corporate Plan and Housing Services Plan details the Council's main priorities for housing:

- To ensure that there is an appropriate range, diversity and mix of housing within the borough
- To ensure that local people are able to obtain housing in Dartford
- Formulate and develop policies and action plans that most effectively address a wide range of needs and to enable the provision of affordable housing, ensuring that a sustainable mix of housing is available locally, with a diversity of tenures that are inclusive and promote choice

The main objectives of the housing and homelessness strategies, relating to tackling empty properties are to:

- Provide additional affordable homes
- Tackle anti-social behaviour
- Reduce the use of bed and breakfast/nightly paid accommodation
- Prevent homelessness

The council has recently commissioned a **private sector stock condition survey**, the results of which are due in spring 2009. The findings of the survey will form the basis of a new Private Sector Renewal Strategy.
4. The National Picture

Empty properties in England

Empty properties are not only found in large towns and cities; they are a characteristic feature in many areas of the country. According to The Empty Homes Agency, in 2008, there were 772,924 empty properties in England of which 83,745 were in the South East.

In recent years the subject of empty properties and the negative impact they have on local communities has become a national issue. The importance given to empty property and derelict land by central government can be seen in the wide range of current legislation and in the report, “Empty Property: unlocking the potential, a case for action”. In addition, the government provides funding to the Empty Homes Agency (EHA) to campaign on this issue and provides advice to local authorities and owners of empty properties.

Existing Powers

The Regulatory Reform (Housing Assistance) Order 2002 enables a local authority to develop discretionary schemes to assist empty property owner subject to the council being satisfied as to a) financial need on behalf of the applicant and b) the applicant giving the council nomination rights for a set period of years.

At present no existing law directly returns empty properties to the market place. However the introduction of Empty Dwelling Management Orders, included in the Housing Act 2004, are designed to help return vacant residential properties back into use. Under these Orders, management of the property rests with the Council or its agent (e.g. a registered social landlord). The Housing Act 1985 also contains a compulsory purchase power which may be exercised in the case of an unfit property, however this is a cumbersome and consequently little used power.

The EHA has been campaigning for government support to encourage owners to return homes to use which has resulted in a number of initiatives:

- The Government has introduced the discretionary abolition of the council tax discount applied to empty homes because it was felt that a large discount may have acted as a disincentive to return a property back into use. Dartford Borough Council abolished the discount for long term empty properties on 1 April 2008.

- Tax incentives have been introduced for the owners of empty properties, with reduced VAT for the refurbishment of properties empty for more than two years and capital allowances for the letting and refurbishment of empty spaces above shops.

- Changes in the Local Government Act 2003 enables local authorities to use council tax data to identify owners of empty properties.
5. The Dartford Picture

Long term empty properties in Dartford

Council tax records indicate that as at January 2009, there were 740 long term empty residential dwellings in the borough.

Unlike some areas, Dartford does not have a concentration of empty properties in the Borough rather they are spread in single units throughout. Dartford also contains a number of vacant commercial premises. As at 1 April 2007 there were 6 known empty commercial units in the area, which had been vacant for more than twelve months. Table 1 shows the number of long term vacant properties over the last three years in respect of both residential and commercial property.

<table>
<thead>
<tr>
<th>EMPTY PROPERTIES</th>
<th>Months Empty</th>
<th>Period</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>% increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>6 months +</td>
<td></td>
<td>479</td>
<td>452</td>
<td>606</td>
<td>740</td>
<td>22%</td>
</tr>
<tr>
<td>Commercial</td>
<td>12 months +</td>
<td></td>
<td>5</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>0%</td>
</tr>
</tbody>
</table>

As can be seen, there has been an increase in the number of long term empty residential properties since 2006, and under current market conditions, and the effects of the economic downturn begin to have an impact, numbers may continue to rise over the next few years. It is therefore extremely important that together, we start to tackle the problem as effectively and as early as possible to minimise the potential increase in long term empties.
6. Action we are currently taking

The foundations of the Empty Property Strategy are already in place and the appointment of the Empty Properties Officer in Autumn 2007 led to an immediate improvement in performance and has helped to ensure a co-ordinated approach. The following table shows the council’s performance over the last five years in bringing empty properties back into use.

<table>
<thead>
<tr>
<th>Year</th>
<th>Number brought back into use</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004/2005</td>
<td>11</td>
</tr>
<tr>
<td>2005/2006</td>
<td>9</td>
</tr>
<tr>
<td>2006/2007</td>
<td>9</td>
</tr>
<tr>
<td>2007/2008</td>
<td>32</td>
</tr>
</tbody>
</table>
| 2008/2009      | 57                           | (as at Jan 09)

A number of initiatives and related schemes are also already in place including:

- A reporting form on the Council’s website to encourage members of the public to notify the Council of empty properties in their area.

- The council operates a Private Sector Leasing scheme where property is leased from an owner in the private sector, for a fixed period. During this period, DBC takes on the management responsibilities of the property. The owner of the property, therefore, will not have to find tenants, deal with rent queries or arrange repairs and building contents insurance. In most cases, the owner is guaranteed a rental return for at least 48 weeks a year, regardless of whether the property is occupied or not. The empty property officer will make a referral to the housing options team from interested landlords.

- The Dartford deposit guarantee scheme gives families and single people the chance to secure private rented accommodation in an area of their choice by providing a guarantee for the initial deposit.

- Council officers are encouraged to report empty properties to the empty property officer, as are elected members and owners of empty property themselves.

- Using Council Tax data, a questionnaire and information and advice was sent to owners of long-term empty properties to accurately establish a baseline of the number of long-term empty properties and the reasons for them remaining empty, which resulted in a 40% response rate. The responses already received were all followed up resulting in a rise in properties being bought back into use in 2008.
- A private sector landlord’s forum is in place which meets quarterly to exchange information and advice on matters relating to private sector accommodation. All private sector landlords and lettings agents are invited to attend.

- A Property accreditation scheme is in place to recognise the many local landlords who provide good quality accommodation to let. Landlords will receive a certificate of accreditation from the council and free advertising on the council’s website.

- Establishment of an empty property database which also tracks actions

- Liaison with landlords to assist in the drawing up of plans for reoccupation

- Carrying out reviews of plans and visits to landlords at least every three months

- Promotion and utilisation of the council’s property accreditation scheme in the private sector

- Participation in the Kent Local Authority Empty Homes Forum to discuss issues and best practice across Kent

**Grants and Loans**
The provision of repayable grants and loans is within the Council’s current Housing Renewal Policy (2003) and these are likely to be available for the foreseeable future, subject to budget provision (see action plan). Currently there are two ways in which assistance could be offered:

- An Empty Property Loan Facilitating Grant which will allow empty property owners to access Kent County Council No Use Empty Initiative Interest-Free Loan Facility

- Discretionary repayable grants for long term empty homes including conversions and flats above commercial properties. These grants will be linked to the Council having tenant nomination rights to the property for a fixed term and the grant will be repayable on sale of the property.

To improve the effectiveness of Council activities and ensure that a co-ordinated and comprehensive approach is adopted in relation to empty/difficult properties, partnership working will be established with core representatives from a range of Services including Housing, Environmental Health, and Planning (Development Control, Building Control and Planning Policy). Within the partnership, the EPO will prioritise those properties giving cause for the greatest concern and identify the options available to deal with them.

For additional work in this area, see our action plan for work in progress and future actions to be taken in bringing empty properties back into use. The Council is also keen to create partnerships in the private sector with developers, estate agents, Registered Social Landlords (RSLs) or Housing Associations, and also local Building Preservation Trusts (BPTs). BPTs are charities that can be set up to preserve
buildings of architectural or historic importance. BPTs are normally constituted as companies limited by guarantee and have charitable status.

**Raising Awareness**
All property owners have a responsibility to ensure that their property does not adversely affect that of their neighbours or the wider community and the Council will seek to raise awareness of the reasons why owners should not leave their properties empty.

Information on the problems associated with empty properties has been included on the Council website and links have been inserted to the Empty Homes Agency and the Kent Empty Property Initiative site (www.no-use-empty.com). Articles and information for residents and landlords will continue to appear in the Dartford Life, the Council newsletter for all borough residents. We are also looking to publicise on a wider basis e.g. local news papers. In addition, we are currently working on the development of a comprehensive advice leaflet and information pack for landlords and property owners.

**Using Enforcement**
The local authority has a number of options with regard to enforcement actions that it can adopt in cases where persuasion or the use of incentives have proved to be unsuccessful in dealing with owners of empty properties. These options range from securing open empty properties against unauthorised access to using closing or demolition orders and forced sales.

The Housing Act 2004, as well as allowing for the use of Empty Dwelling Management Orders, introduced a range of new enforcement options to allow local authorities to deal with hazards. The Housing Health and Safety Rating System (HHSRS) is based upon risk assessment against 29 defined hazards that may be found in a property. The Act also allows the local authority to charge for its costs in taking enforcement action where this is appropriate.

The following are additional legislative enforcement measures which will be used where appropriate on empty properties:

- Town and Country Planning Act 1990, Section 215. Notices can be served where a property is said to be “detrimental to the amenities of the neighbourhood”.
- Building Act 1984, Sections 76 – 79 provides powers to tackle “dangerous and ruinous structures.
- Local Government Miscellaneous Provisions Act 1982, Section 29 gives power to the local Council to secure empty properties against access, where there is considered to be a danger to public health.
- Environmental Protection Act 1990, Sections 79 – 82 gives power to enforce remedy of a condition prejudicial to health or that constitutes a statutory nuisance.
- Housing Act 1985, Sections 189 – 190 provides powers to tackle unfitness or general disrepair.
• Law of Property Act 1925, Section 101 provides the first step to an enforced sale where one of the following applies: returning the property to use is crucial to the regeneration of the area, works in default total £1000 or more, the property has been empty for more than two years.

• Housing Act 1985, Sections 17, 289, and Local Government and Housing Act 1989, Section 93 provide the basis for the commencement of a compulsory purchase order.

We are currently reviewing our policies on enforcement action, the details of which are set out in the action plan.

Providing Advice and Assistance
The Council currently advises and assists owners of empty properties in a number of ways and will continue to work with the owner and monitor progress until the property is brought back into use. We provide advice on:

• Finding a buyer - There are a number of options available through which a property can be marketed for sale and potential purchasers identified

• Becoming a landlord - There is a range of advice on letting properties that can be given, for example tenancy agreements, health and safety requirements, finding a tenant and joining a landlord forum for support. If appropriate, information on the requirements needed to establish a House in Multiple Occupation is available

• Giving owners one to one advice on mortgages or insurance

• Dealing with probate and other associated issues in a sensitive and efficient manner to ensure a person’s estate is dealt with quickly and efficiently

• General advice on management of empty properties

7. Monitoring our Performance
An action plan has been developed to help us implement this strategy. The plan lists a number of targets, which are, where possible SMART (Specific, Measurable, Achievable, Realistic, Time-based principles). Performance against these targets will be regularly monitored and reported.

This action plan will be updated on a regular basis and the Strategy will be reviewed every 5 years, or sooner, subject to any major changes in policy.

The strategic housing performance indicator for Kent was adopted in 2008 to replace the best value performance indicator (BVPI) 64. This new indicator measures:
• the number of long term private sector vacant dwellings (any residential property excluding council homes) that are returned into occupation
• the number demolished creating an immediate new build of residential property

This must be as a direct result of action by the council and is expressed as a percentage of all private sector dwellings in its area. All monitoring of performance indicators is recorded on the Council’s performance management system, Covalent, and reported to management team and Members of the Council on a quarterly basis.

8. Resources

The council employs a dedicated officer, part-time, to tackle empty properties in the borough and, subject to agreement, will have access to funding from the Kent empty property initiative.

9. Further Information and Advice

For advice on any general issues relating to private sector housing please contact:

Maurice Butler
Private Sector Renewal Manager
Dartford Borough Council

Tel: 01322 343343

For advice on empty homes please contact:

Andrew Chambers
Empty Property Officer
Dartford Borough Council

Tel: 01322 343670