

THIS ITEM IS FOR INFORMATION ONLY
(Please note that "Information Only" reports do not require Equality Impact Assessments, Legal or Finance Comments as no decision is being taken)

Title of meeting: Cabinet Member for Housing Decision Making

Subject: Update on Empty Residential Property Strategy approved March 2019.

Date of meeting: 23rd March 2020

Report by: James Hill, Director of Housing Neighbourhood and Building Services

Wards affected: All

1. Requested by

1.1. Councillor Sanders, Cabinet member for Housing

2. Purpose

2.1. To provide an update on the progress of the Empty Private Residential Property Strategy 2019 - 2024 and the outcomes that were agreed in March 2019.

3. Background

3.1. On the 12th March 2019 the Cabinet Member for Housing approved the Empty Private Residential Property Strategy 2019 - 2024. The strategy set out the following aims:

3.1.1. Strategic Aim 1 - Tackle the problems that empty properties cause local residents, particularly focusing upon:

- Environmental issues
- Anti-Social Behaviour

3.1.2. Strategic Aim 2 - Minimise the blight that empty private properties can cause on property prices.

3.1.3. Strategic Aim 3 - Maximise the usable housing stock in the city by supporting owners of empty private properties to return them to functional homes.

4. Strategic actions agreed

4.1. Communications: Making the options clear to property owners to bring properties back into use before they have been empty for more than 6 months. This communication should be in a range of formats and methods.

4.2. Advice and Support: Ensure advice & support is available to empty property owners to enable them to bring their properties back into use.

THIS ITEM IS FOR INFORMATION ONLY
(Please note that "Information Only" reports do not require Equality Impact Assessments, Legal or Finance Comments as no decision is being taken)

- 4.3. Working with stakeholders: Encouraging the neighbouring community, landlord groups, and local agents to positively engage in identifying and working with the city Council to bring properties back into use.
- 4.4. Enforcement: The use of enforcement action where necessary, and in the event that engagement with the property owner is not possible or does not result in the property being brought back into use. Enforcement options include (interim & final) Empty Dwelling Management Orders (where the local authority take on the management of the property) and Compulsory Purchase Orders (where the city council would purchase the property). This can help with the housing needs pressure in the city and alleviate the nuisance that empty properties can cause to the local community.
- 4.5. The following proposed action plan was provided in the strategy to help progress these priorities.

Proposed Action	Strategic Aim 1	Strategic Aim 2	Strategic Aim 3
1. Have a clear and joined up approach between council agencies towards the identification of empty private properties			✓
2. Create a communications plan, including website information, on how to	✓		
2a report empty properties, including signs of what is an empty property	✓	✓	
2b help owners find uses for empty properties	✓		
2c Support for letting & managing the property (links to rent it right)			✓
3. Report to councillors on a quarterly basis on numbers of new empty private properties and the actions taken			✓
4. Develop a suite of measures to report on empty properties			✓
5. Implement support plan for owners to get their property back to use		✓	✓
6. Develop Rent It Right as a support tool for owners to get properties back to being used.	✓		

5. Update on actions taken to date

- 5.1. There is now a better exchanging of information with a wider range of departments, and procedures are being developed to clarify expectations and to ensure effective information sharing is routinely taking place between all relevant departments. For example, work between the Private Sector Housing (PSH) and the Leasehold Services team on one particular area of Portsmouth where there are several privately owned properties, but are situated in blocks managed by Local Authority Housing. The Leasehold team identified properties that may be long term empty properties and the PSH team are now working with the leaseholders to ensure that they are brought back into use. This situation may not be unique to just one housing estate

THIS ITEM IS FOR INFORMATION ONLY
(Please note that "Information Only" reports do not require Equality Impact Assessments, Legal or Finance Comments as no decision is being taken)



and so further procedures are now being put in place to extend this to all Leasehold managers.

- 5.2. Work is ongoing to raise awareness of the empty properties function within the Council, and promote the value of information sharing and interdepartmental collaboration. So far a work-shadowing process has been implemented so that they have a greater understanding of what the role entails.
- 5.3. Further work is planned with other teams such as Enforcement, Waste Management, Council tax bailiffs, Housing Officers and the Helpdesk require an education package to highlight what an empty property is, why we are trying to bring them back into use and the importance of their role in helping with this process.
- 5.4. At the beginning of June 2019 posters were created and put up around the Civic Offices, in both public and staff areas of the building, highlighting how people can report an empty property that they were aware of. However no demand was received from this so it is a campaign that will not be repeated.
- 5.5. Information has been placed on the Council's website for customers to understand what an empty property is, how it can cause a concern and how the Council can help.
- 5.6. Residents can also report an empty property using their "My Portsmouth" account which is accessible via the app or the Council's website. This is an online account that can be accessed by a user both through a computer or an application on their mobile telephone. <https://my.portsmouth.gov.uk/MyServices>
- 5.7. Residents can contact the PSH service via the City Helpdesk or the direct telephone number (023 9268 8369). Advertising this service will need to be promoted through the communications plan.
- 5.8. The Council website provides advice for empty property owners of different ways that the Council can help them bring their property back into use as well as providing a link to reductions in VAT on empty property works. <https://www.portsmouth.gov.uk/ext/your-council/policies-and-strategies/empty-private-residential-properties>
- 5.9. Posters also advertise that an empty property can be rented from the owner through the various leasing schemes run by the Council.
- 5.10. Further information regarding this can be found both on the Council or Rent It Right websites. <https://www.rentitright.co.uk/>

6. Future work

- 6.1. Future work includes working with corporate communications to create a communication plan to advertise our service to a wider audience other than those on the internet or in the civic offices. This is planned for the following months and in September there is a national empty homes week where it is hoped this issue can maximise on the national press to promote the service further. Whichever forms of

THIS ITEM IS FOR INFORMATION ONLY
(Please note that "Information Only" reports do not
require Equality Impact Assessments, Legal or
Finance Comments as no decision is being taken)

advertising are used, it is important to ensure that we have a clear understanding of the outcome, and demand, these campaigns bring to help us move forward.

6.2. Empty property owners are written to and offered different ways to help bring their property back into use. The following routes are suggested

- Rent the property through the Rent it Right scheme.
- Help identifying any works required to be carried out to the property to ensure that it is safe to occupy.
- Advice on whether the owner will receive a reduced VAT rate for any works being carried out under the HMRC rules (renovations and alterations to residential properties that have been empty for at least 2 years will be eligible for a reduced VAT rate of 5% rather than the usual 20% VAT rate for building work).
- Financial assistance for the works that are required to make the property safe to live in (the current Private Sector Housing financial assistance policy includes a discretionary low interest rate loan to help bring empty properties back into use).
- Support in finding a suitable estate agent and solicitor to sell the property.
- Support in deciding whether it is best to rent the property or sell the property.
- Support in applying for probate / letters of administration should the owner have passed away and the next of kin do not understand what they should do to move the property on.

6.2.1. These options form a plan of action, to help an empty property owner is then agreed upon when they contact the department.

6.2.2. The officers implement that plan working with internal and external partners.

7. Data

7.1. Figures of how many empty properties are in the city, according to Council Tax data, and how many have been brought back into use, as a result of Private Sector Housing intervention, are reported as part of the Governance Audit and Standards Committee (GASC) report which is provided on a quarterly basis.

7.2. A breakdown of the figures provided for Governance, Audit & Standards Committee is shown in Table 1.

	Number empty	Number brought back to use
2018/19 Q4	996	17
2019/20 Q1	773	6
2019/20 Q2	713	11
2019/20 Q3	742	7

Table 1

THIS ITEM IS FOR INFORMATION ONLY
(Please note that "Information Only" reports do not require Equality Impact Assessments, Legal or Finance Comments as no decision is being taken)

7.3. The number of empty properties that were being provided to the empty property service included all empty properties. This meant that even properties that were empty for legal reasons were being reported. (Such as properties that were going through probate or properties that were empty because of bankruptcy.) The new strategy recognised that this was not a practical report as most of these properties were not something the local authority could have an influence over. The number of properties that are now being reported to the service are only those that have no clear legal reason to be empty according to Council Tax data. This provides a clearer indicator of how many empty properties there are in the city. Further work regarding this figure is ongoing.

7.4. Several new measures are being established, which aided a recent review of our working practices. This has identified areas of waste, enabling officers to focus more resources on aspects of the work that will have most impact. These measures are:

- 7.4.1. How many properties are being reported to us as empty each month?
- 7.4.2. How many properties are being brought back into use per month?
- 7.4.3. How are properties being brought back into use? (For example are they being sold or let?)
- 7.4.4. What type of complaint are people making about empty properties? (For example is it just that they are empty or is that they are causing a concern such as attracting pests.

7.5. Figure 1 shows the number of empty properties being reported to the council each month compared to the number returned to use. (The large surge in September 2019 is as a result of proactive work that was carried out by the department to determine an order of dealing with long term empty properties.) Ignoring September the PSH team is receiving 3.4 complaints per month and are closing the same amount. This data will be used to determine whether the advertising regarding the service in the coming months is successful.

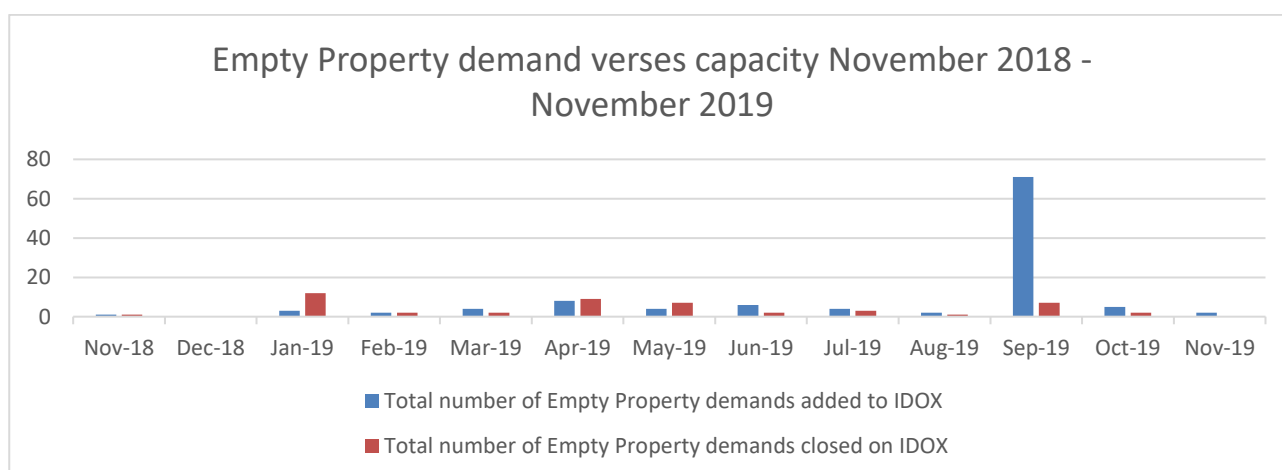


Figure 1

Figure 2 shows the type of complaint that the service is receiving regarding empty properties. This measures what impact empty properties have on complainants and what they are most concerned about. The data shows that most people are concerned about overgrown gardens and pests.

THIS ITEM IS FOR INFORMATION ONLY
(Please note that "Information Only" reports do not require Equality Impact Assessments, Legal or Finance Comments as no decision is being taken)

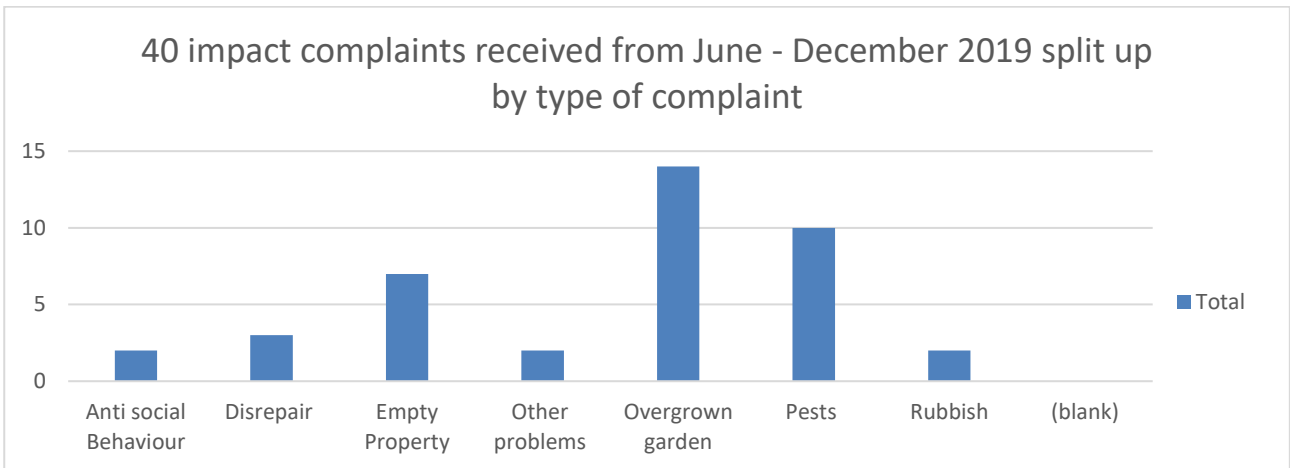


Figure 2

Figure 3 shows the amount of impact complaints the service is receiving and, in turn, how many are being investigated and closed. The highest demand regarding impact of empty properties is June and July which may be related to the known issue of overgrown garden..

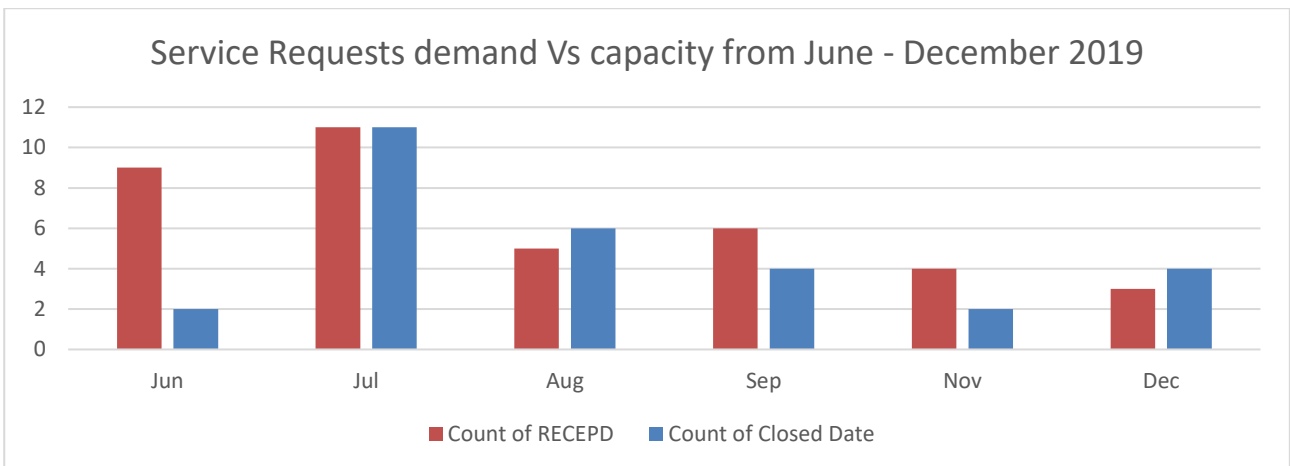


Figure 3

Figure 4 shows how properties have been closed and brought back into use. It shows failure demand which is now being resolved through further measures)

THIS ITEM IS FOR INFORMATION ONLY
 (Please note that "Information Only" reports do not require Equality Impact Assessments, Legal or Finance Comments as no decision is being taken)

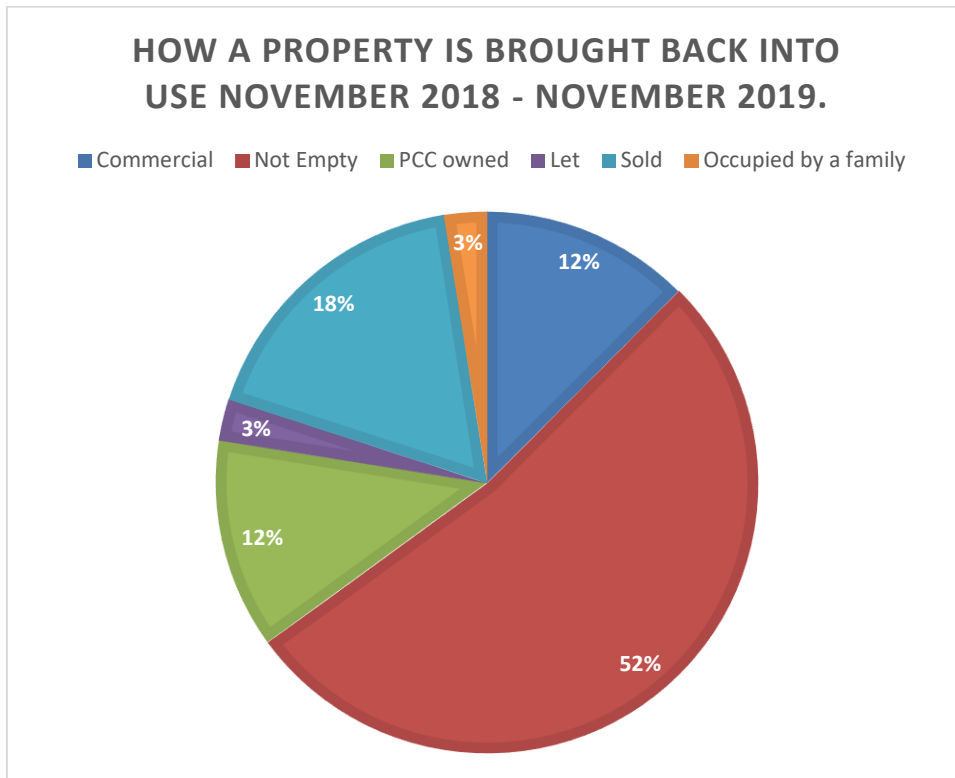


Figure 4

The term 'not empty' is misleading in this case as it actually refers to those properties which may not have people living in them, but have reasons which make it difficult, using the existing legal powers, to bring them back into full use. A breakdown of what these reasons may be is shown in Figure 5

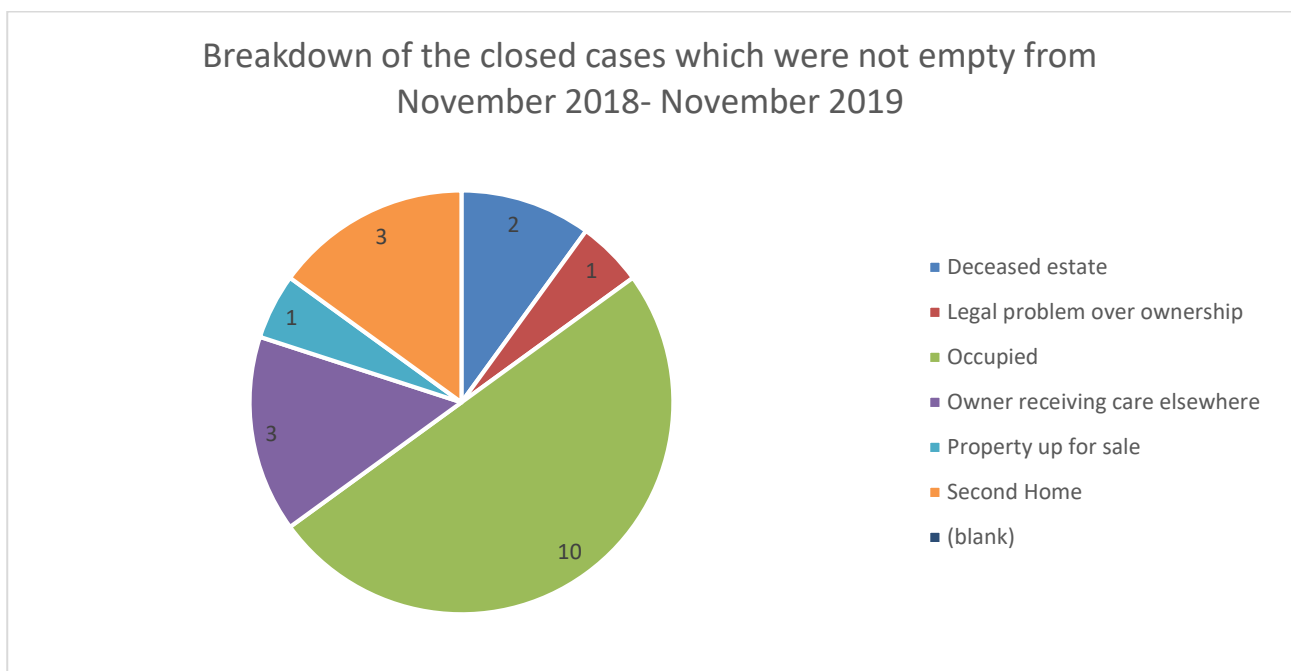


Figure 5

THIS ITEM IS FOR INFORMATION ONLY
(Please note that "Information Only" reports do not
require Equality Impact Assessments, Legal or
Finance Comments as no decision is being taken)



- 7.6. Other measures are being developed to help officers gain a greater understanding of why residential properties fall empty, and what works best in terms of bringing them back into use.
- 7.7. Work is ongoing to introduce more effective ways of monitoring the number of empty homes in the city, and their impact. Specifically, greater clarity is needed to differentiate between those properties where the Council could intervene, and those where this would be inappropriate or ineffective. For example, an owner who has had to be moved into a care home should not expect the Council to be requesting that they bring their property back into use as they have a legal reason for being absent from their property. This is also the case for properties which are empty but going through a sale process. The owner can do no more than wait for the property to be sold. However, this property will still be showing as an empty property according to Council Tax records. Going forward, this would also enable officers to monitor performance and gain a better understanding of the effectiveness of different approaches.

8. Example Case Studies

The following are example case studies for the above described action plan.

8.1. Case study - Example of working in collaboration with leasehold services

Leasehold services approached the department in June 2019 regarding an empty property in a Council-owned block of flats. The property had been empty for more than 10 years and the leaseholder maintained the main fabric of the building. The empty property officer contacted the leaseholder who came into the civic offices and explained the reason why he had kept the property for so long. It had been his late mother's and after she died he and his son did live in the property for a long time. However, after they moved out he did not want to part with it unless another family member wanted it. His feelings towards the flat had changed recently and he wished to have help in selling it. The leaseholder was vulnerable and did not feel able to sell the property on his own. The empty property officer worked with the owner to gain a quote from an estate agent, of the owner choosing, of how much the property would be worth on the open market. As the property is an ex council property the council also offered to buy the property back from the leaseholder. The empty property officer helped the leaseholder find a solicitor of his choice and he accepted the Council's offer on the property.

8.2. Case study - Empty dwelling management order (EDMO)

A property in Southsea was reported to the Council as empty by the Council tax debt recovery team in 2012. The owner had not been seen for approximately 6 years the magistrates were unhappy at the time to put a liability order against the property. The empty property officer investigated the case and, after gaining a warrant to gain entry into the property in 2012 a full housing survey revealed the property to require renovations in order to bring it back into use.

Despite best endeavours to find the freeholder it was decided that the property could not be left empty any longer and in 2015/16 the Council successfully applied for an Interim Empty Dwelling Management Order (EDMO). A Final EDMO was served on the property in 2017. Renovations were carried out and the property was reoccupied in December 2017 by a family off of the housing waiting list. The property remains

THIS ITEM IS FOR INFORMATION ONLY
(Please note that "Information Only" reports do not
require Equality Impact Assessments, Legal or
Finance Comments as no decision is being taken)

occupied and will continue to be properly managed by the leasing scheme team until the debts owed to the Council are consolidated.

A further two properties had Interim EDMO's served on them in 2019 and one is now in the FINAL EDMO stage. This means that it should be renovated and brought back into use for a family this year.

8.3. Case study - Property owner applying for an empty property loan

Letters have been sent to empty property owners from the council tax list who own a property that has been empty for more than 6 months but less than 2 years. One empty property owner contacted this department in December 2019 stating that he would like to take a loan out to bring his flat up to standard to be rented out through the leasing scheme. The client's details were passed to the renewals team within Private Sector Housing where his property was assessed for suitability of an empty property loan. They have now written to the owner with the schedule of recommended works to be undertaken at the property. Should no further action be taken by the owner the empty property officer will be passed the case to continue to chase the freeholder.

.....
Signed by (Director)

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location