

Sefton Council Empty Homes Plan 2019 - 2024

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What is an empty home?

There are two main types of empty homes:

Short term empty homes

These are homes that have been unoccupied for up to 6 months and are necessary for the normal operation of the housing market. They are usually in the process of being sold or between lettings, are being renovated and improved prior to occupation or awaiting probate following the death of the occupier. Almost half of our empty homes within Sefton fall within this category and do not require intervention.

Long term empty homes

These are homes that have been empty for more than 6 months. The longer a property is left empty the more problematic it can become, it is these properties that our Plan will focus on particularly those left empty for more than 2 years in the selective licensing and additional (HMO) licensing areas.

Introduction

There are approximately 5,367 (of 127,186 = 4.22%) empty properties in Sefton, of which 2,384 have been empty for more than six months (as of April 2018). These long term empty properties can have a negative impact on adjacent homes and neighbourhoods and represent a wasted asset, which is especially relevant in view of Housing Shortages identified through Council studies and the high number of people on the housing register. There are usually around 4,000 households at any point in time on the Housing Register, seeking rehousing, although this has been growing in recent years.

Housing Need in Sefton

The most recent review of the Housing Requirement for Sefton was undertaken in July 2015 based on the latest demographic information, including the 2011 Census and the 2012-based sub-national household projections. This concluded that Sefton's household growth over the Local Plan period equated to the need for 576 additional dwellings a year. This figure needs to be revised upward by approximately 10% to account for affordability and past under-delivery. The total requirement over the Plan period is 11,520 or 640 additional dwellings per year. The need for this level of additional housing considered that a 4% level of empty homes in the borough represents a typical level for a borough like Sefton.

This empty property plan represents a part of the Council's new Housing Strategy (2016-2021) that seeks to;

“Continue to make Sefton a great place to live, by ensuring that people can access high quality housing appropriate for their needs”.

The Housing Strategy identifies 5 key themes, one of which is ‘Driving Housing Qualities in Sefton’s communities and neighborhoods’. The priorities within this theme include:

- Raise housing standards across all tenures and reduce the number of non-decent homes with a focus on the worst conditions including;
 - Improving the quality of privately rented sector (PRS) homes and;
 - Regulating and improving Houses in Multiple Occupation (HMOs) through licensing schemes.
- Working with Housing Associations to agree approaches to improve the assets and services of Housing Association’s owned stock;
- *Reducing the numbers of empty homes and neighbourhood empty homes ‘hot-spots’.*

This Plan builds on the 2014 - 2018 Empty Homes Strategy. It sets out clear objectives on how the Council and its partners aim to tackle and reduce the number of longer term empty properties over the next 5 years.

This Plan also recognises the need to make best use of the availability of existing housing to address housing need and to help reduce the need for more new build housing on Greenfield sites, supporting Sefton’s Adopted Local Plan.

Our Strategic Aim

Our aim is to; focus our intervention activity to reduce the number of long term privately owned empty properties across the borough, therefore helping to increase housing supply, but more importantly to improve neighbourhood conditions by tackling problematic empty properties.

To achieve our Strategic Aim this Plan focuses on 3 key objectives:

- Raising awareness of long term empty properties as a wasted resource
- Encouraging empty property owners, particularly those who own homes in the selective and additional licensing areas, to bring properties back into use through advice and assistance, including early intervention and preventative measures
- Utilise the full range of enforcement powers to target and bring problematic properties back into use, through cross departmental working, focussing primarily on those empty 2 years or more in the selective and additional licensing areas.

The level of success of these objectives will depend on the level of available resources such as staff and financial resources. Currently, there is limited officer time for early intervention and prevention work and limited legal support for enforcement work. This increases the importance of targeting our resources appropriately.

Why have an Empty Home Plan?

Many empty homes will come back into use relatively quickly and are a natural part of the housing market. This is particularly true of short term vacancies, which have been empty for less than six months. However, not all empty properties are transactional vacancies; some are a waste of a valuable resource. The most problematic empty properties tend to be those properties that have been empty for a minimum of 6 months (classed as long term empty properties). The longer a property has been empty, the more likely it is to become problematic. Due to very limited resources currently, our actions need to be prioritised and targeted.

Prioritising our actions

There are currently over 1000 properties empty for more than 2 years¹. It would be impossible to attempt to intervene in all cases; this Plan primarily focuses on those properties empty for more than 2 years in the selective and additional licensing areas, which are causing distress to a community and neighbours.

In March 2018 the Council introduced a Selective licensing scheme in Bootle and an Additional HMO licensing scheme in areas of Waterloo and Southport, these areas were chosen for licensing due to them having greatest levels of private rented housing together with higher levels of crime, anti-social behavior and poor housing conditions. The aim of the licensing schemes is to improve housing conditions for our residents and make these areas safer and more attractive places to live.

Bootle, located in the South of the borough suffers from a wide range of entrenched problems that arose out of many years of socio-economic change. As one of the most deprived areas in England, Bootle suffers from high levels of crime and ASB and poor housing conditions, particularly as it has higher concentrations of pre-1919 housing stock Bootle also experiences weaker housing market conditions.

Central Southport and parts of Waterloo/Seaforth also suffer similar problems, a situation that is not uncommon in other coastal communities.

According to a 2016 survey by the national Empty Homes Agency of *'local authorities with relatively high levels of long-term empty homes to explore these*

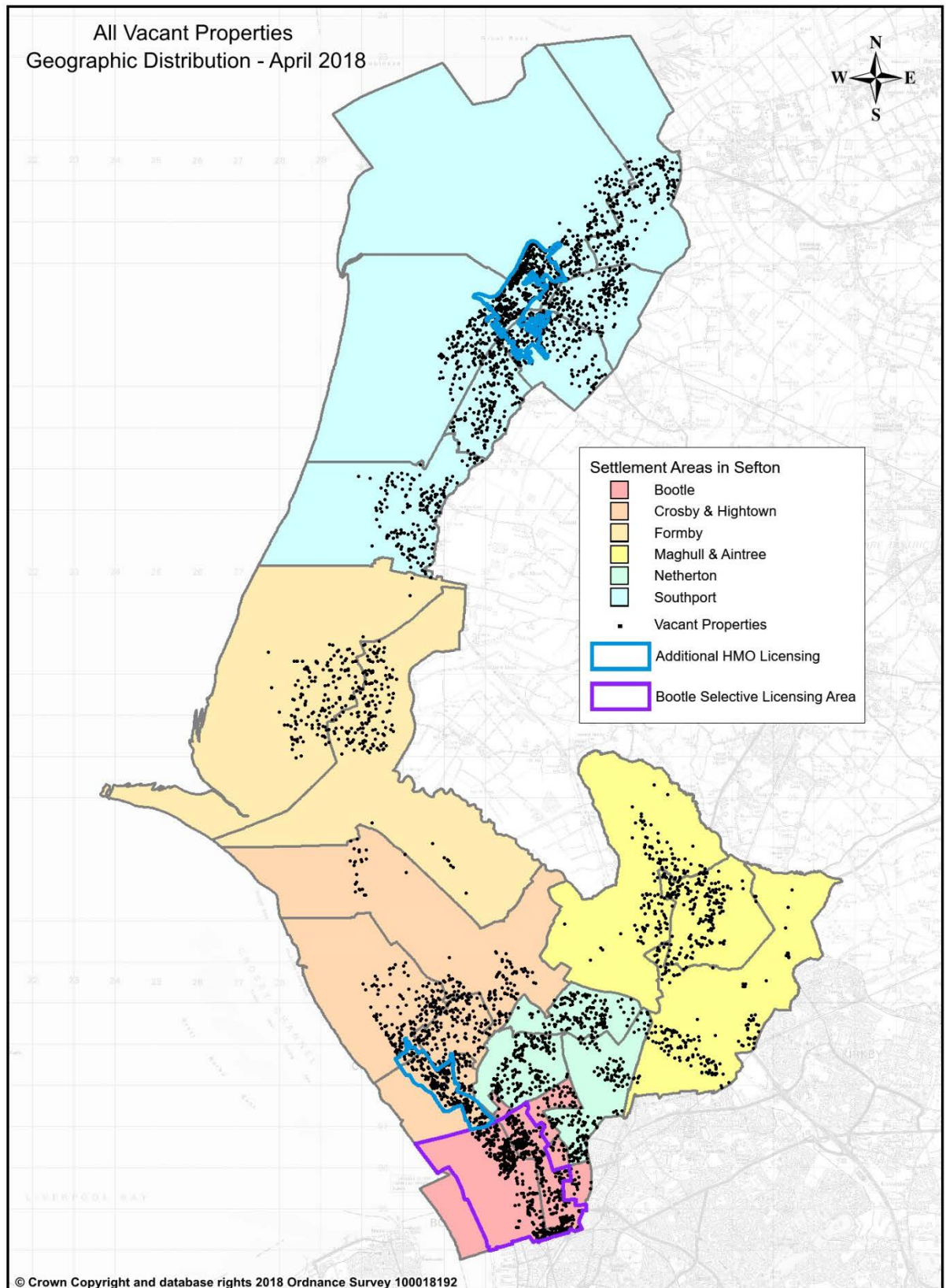
¹ Source: Sefton Council Tax (April 2018). Please note: this figure includes discount and exempt properties and not just those liable for an empty property premium.

issue', research found that local authorities with higher levels of long-term empty homes tend to have lower house prices and more households on lower incomes than the rest of England. They also tend to have more pre-1919 terraces. It found that the neighbourhoods with the highest concentrations of empty homes tend to have higher levels of private rented sector accommodation, with a higher proportion of that accommodation not meeting the decent homes standard, and higher perceived levels of social problems.

Therefore, it isn't surprising that the highest concentrations of long term empty properties are in the licensing areas, with 4.0% empty in Bootle and 4.7% in central Southport (Sefton Council Tax – April 2018), making these areas the focus of this Plan . An analysis of the levels of long term empty homes for all areas of the borough is provided in Figure 5 below (*see a comment at Fig 4 below!*)

Improving current housing conditions for existing residents and tackling empty homes in these areas offers a rounded approach to addressing their housing needs and issues, this helps deliver greater equality and more balanced housing market across the borough.

Figure 1 shows the link between the highest concentrations of empty homes and the Selective and Additional licensing boundaries.



Problems associated with long-term empty homes

Long-term empty properties can have a negative impact on neighbourhoods and communities. They can be a magnet for anti-social behaviour, alcohol and drug abuse, squatters and are often used as a dumping ground.

Poorly maintained empty properties are not only a local eyesore, they can also significantly reduce the value of adjacent properties, and according to the Royal Institution of Chartered Surveyors they are estimated to devalue neighbouring properties by as much as 18%.

These properties can quickly fall into disrepair, because of this and the other negative impacts associated with empty properties, they can be a drain on the resources of the local authority and emergency services. Council tax bills often go unpaid and in this current public sector financial climate, the Council will need to take steps to maximise recovery of debts associated with empty properties.

Benefits of bringing a long-term empty property back into use include:

- Better use of the Asset potential for owners, improving asset value and possible income from rent.
- Ensures community stability
- Investment into an area
- Revitalising the local economy
- Reduces crime and vandalism
- Makes the area more attractive and a safer place to live
- Supports area regeneration programs
- Provides a home for someone in housing need
- Increased revenue from Selective Licensing and Additional HMO Licensing fees

Reasons why properties are left empty include:

- Legal reasons – probate / divorce
- Unable to sell – stagnant market
- No funds for the owner to improve property
- Bought for investment and owner awaiting improved market conditions
 - Owner in care / prison
 - Sometimes owners don't know what to do with a property
 - Inherit a property

It is important to understand the reason why a property has been left empty allowing the best course of action to be taken and bring it back into use. The course of action taken with one property will not be suitable for all – every aspect must be considered for each case and the most appropriate tool chosen. We expect that in most cases that following the process of co-operation and

communication with owners, backed up by enforcement if necessary, will have greatest chance of achieving bringing properties back into use.

National & Regional Context

The latest (October 2017) empty homes statistics show that there were 605,891 vacant dwellings in England, with 205,293 of which are long term empty homes.

Nationally there are 1.6 million households on local authority waiting lists on 1 April 2017. Re-using empty homes provides can be an affordable source of housing, with the average cost of renovating an empty home being about £10,000 and creating about a third of the CO2 emissions of building a new house.

2010 – 2015 saw the Coalition Government introduce a range of incentives to tackle Empty Homes. The introduction of the New Homes Bonus (NHB) scheme in 2010 is an example of one initiative that provides a Local Authority with a financial reward, for each empty home returned to use as for building a new one. Since April 2013, authorities have been able to charge up to a 50% premium on the council tax if a dwelling has been empty for two years or more, acting as a disincentive for an owner to leave a property empty.

More recently, The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Bill was introduced on 28 March 2018. This seeks to bring in legislation that will allow authorities to double council tax on empty homes, changing the 50% premium to 100% on empty homes for 2 years or more. If this bill is passed it will come into effect April 2019.

Following an amendment introduced in the House of Lords the legislation will also allow Councils to increase the premium to 200% on homes left empty from five to ten years from 1 April 2020 and to 300% on those empty for more than ten years from 1 April 2021.

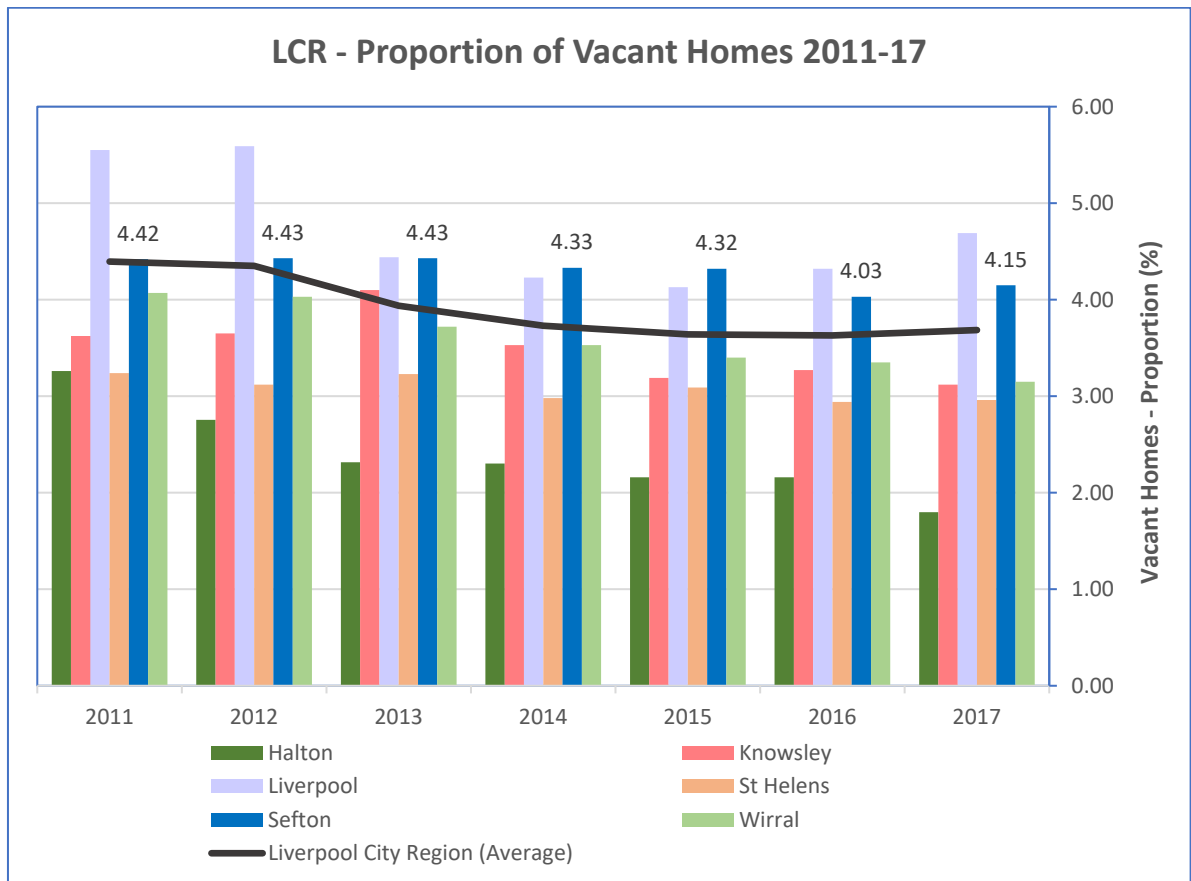
Decisions on whether to charge a premium, and the exact rates to be charged will remain a matter for councils, taking local circumstances into account. Elected Members in Sefton will consult and make the decision whether to introduce this.

The North West has the largest number of long-term empty properties in England –with 39,344. In previous years tackling empty homes was a priority for the Homes and Communities Agency North West, who operated a number of empty homes initiatives and investment programmes, which were funded by Government. However, this funding ended in March 2015, since when there have been no Government funded empty homes investment initiatives.

Table 1 & Figure 2: % of Empty Homes across the Liverpool City Region

	2011	2012	2013	2014	2015	2016	2017
Liverpool City Region	4.39	4.35	3.94	3.73	3.64	3.63	3.69
Halton	3.26	2.76	2.32	2.30	2.16	2.16	1.80
Knowsley	3.62	3.65	4.1	3.53	3.19	3.27	3.12
Liverpool	5.55	5.59	4.44	4.23	4.13	4.32	4.69
St Helens	3.24	3.12	3.23	2.98	3.09	2.94	2.96
Sefton	4.42	4.43	4.43	4.33	4.32	4.03	4.15
Wirral	4.07	4.03	3.72	3.53	3.4	3.35	3.15

Figure 1: Summary of Vacant Homes



In 2017 the Liverpool City Region’s (LCR) average vacant homes proportion was 3.69% of the overall stock. There has been a sustained reduction in the proportion of vacant homes across the City Region over the previous six years. Areas of low demand, leading to a greater number of vacant properties, still exist within Merseyside and these empty properties continue to be a problem in Merseyside and the wider North West region.

Empty Homes in Sefton

Current Position

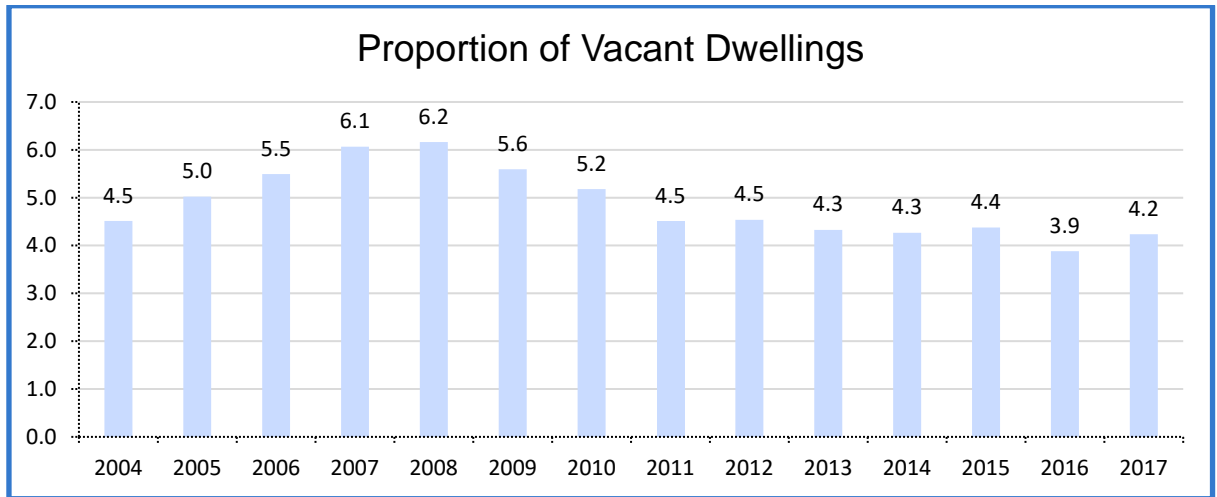
According to Council Tax records there are approximately 5,367 (of 127186 = 4.22%) empty properties in Sefton, of which 2,384 have been empty for more than six months (as of April 2018).

Figure 2 illustrates a decrease in the proportion of vacant dwellings from 6.2% in 2008 to the current figure of 4.2% in 2017. Although there is a slight increase from 2016, the overall trend shows a decrease in the number and proportion of vacant properties, this follows a successful approach by Sefton Council and its

partners to proactively target and reduce the number of empty homes with the Borough, not least through its former Housing Market renewal initiative.

When our first Empty Property Strategy was adopted in 2009, there were a total of 6965 (5.6%) empty homes, of which 2.6% were long – term empties.

Figure 2: Proportion of Vacant Dwellings [Source: Sefton Council Tax]



Although there had been a decrease in the number of vacant properties since 2008, Figure 3 illustrates no clear trend in the proportion Long Term Vacant Dwellings, with the highest portion of long term vacant dwellings in 2011 at 2.8%.

Figure 3: Proportion of Long Term Vacant Dwellings [Source: Sefton Council Tax]

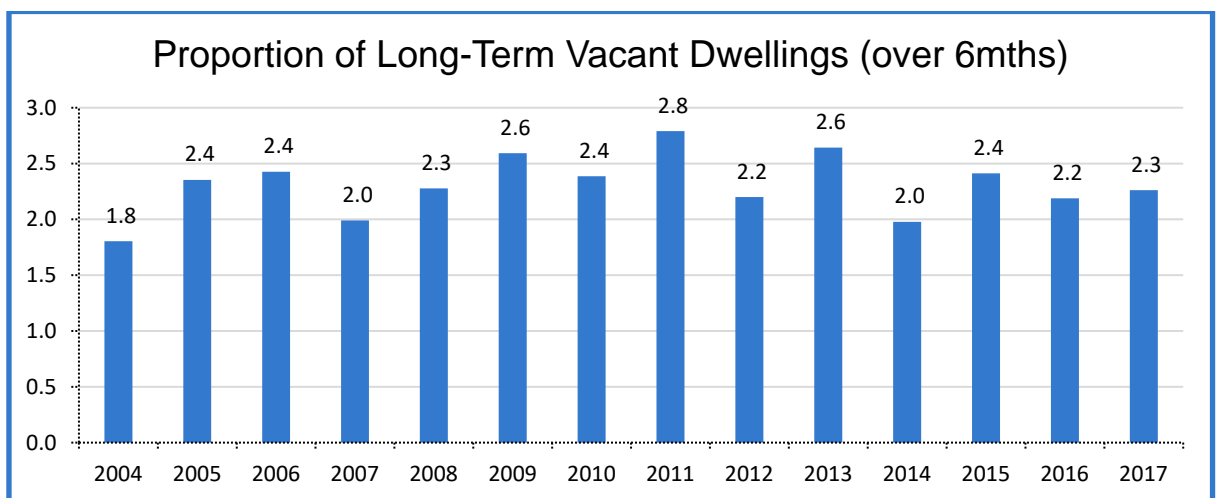


Figure 4: All Empty properties by settlement

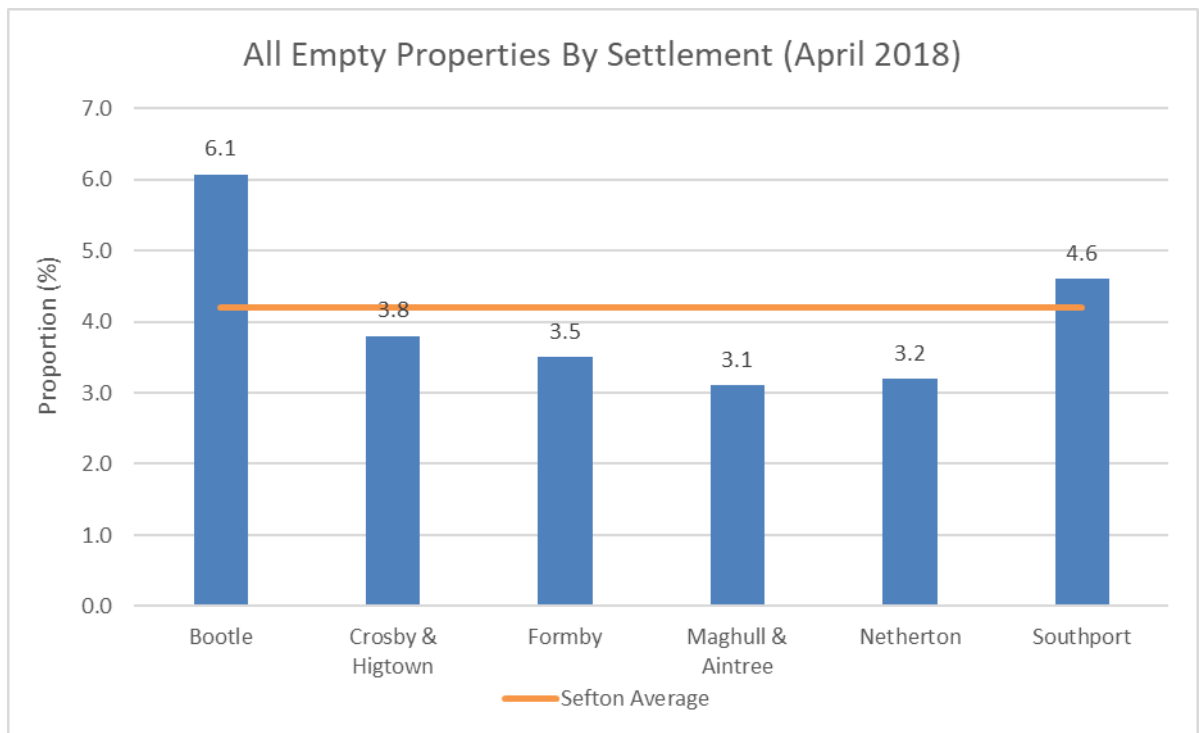


Figure 4 highlights the proportion of empty homes by settlement. A vacancy rate of 3% supports the frictional turnover of homes within the overall housing market. However, an empty homes rate of around 4% represents a more typical level of vacants in a northern metropolitan borough such as Sefton. There are however clear differences in areas within Sefton. Figure 4 (above) identifies that areas within Bootle and Southport do suffer from areas of lower demand and therefore suffer greater problems associated with empty properties.

Figure 5: Long-term Empty properties by settlement

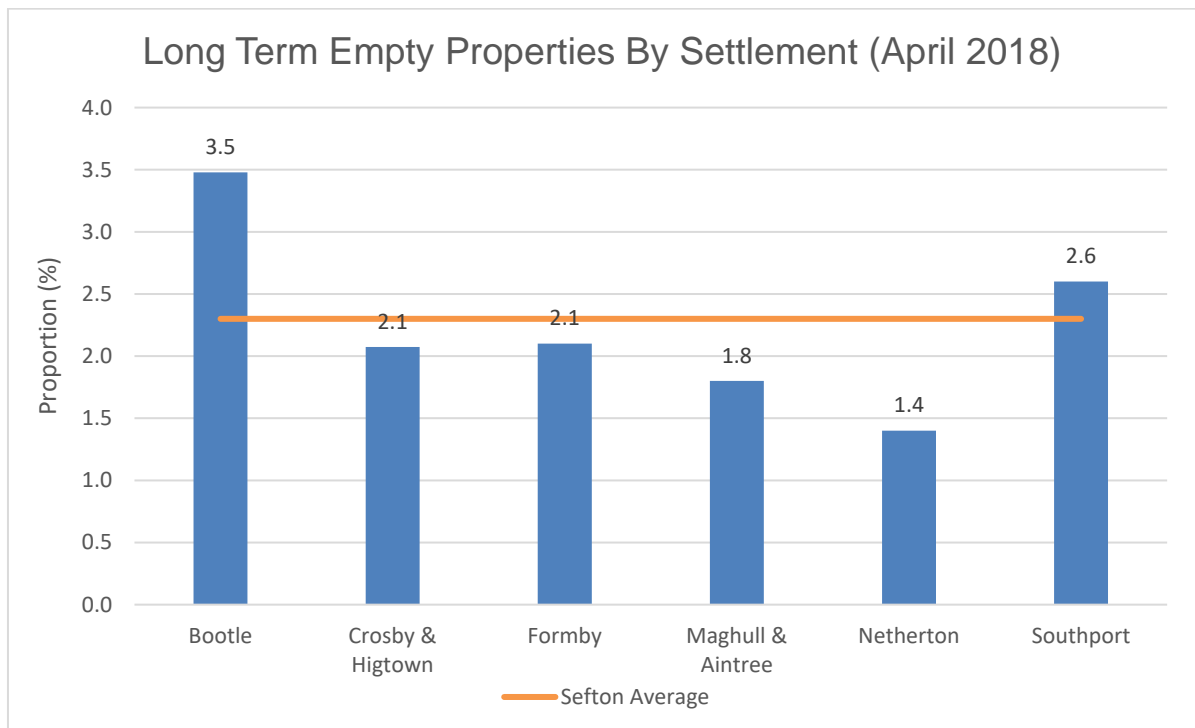


Figure 5 (above) highlights the differences in the proportion of long-term empty homes throughout the Borough. The areas of Bootle and Southport once again have greater proportions of long term vacant homes than the rest of Sefton. These are the areas that experience the most extreme issues associated with long term empty homes.

Bringing Empty Homes back into use

Positive Initiatives & incentives

Letters & Advice

Our first approach in tackling an empty property is to make contact with the owner through letters; the initial letter reminds owners of their responsibilities whilst the property is empty and offers advice and assistance that may help bring their property back into use. This is then followed by a further two letters and a meeting with the owner if necessary. The aim is to provide as much information and support as possible to the property owner to try and assist them in bringing their property back into use. Empty properties within the Selective and Additional licensing areas will be targeted with these letters.

Council Tax charges

There is a 100% discount for empty and unfurnished properties for one month. There is a 50% discount up to 1 year for properties undergoing major structural repair or structural alteration. Properties that have been empty for over 2 years have a 50% premium, meaning a council tax charge of 150%.

As mentioned above, the Chancellor announced in his Autumn Budget Statement in November 2017, that Councils across England would be given discretionary powers to charge even greater Council Tax premiums on homes left empty for many years.

The initial draft legislation indicated that Councils would be allowed to double the rate of the council tax premium on properties that have been empty for more than 2 years from 50% to 100% from 1 April 2019.

Following an amendment introduced in the House of Lords the legislation will also allow Councils to increase the premium to 200% on homes left empty from five to ten years from 1 April 2020 and to 300% on those empty for more than ten years from 1 April 2021.

The Government has provided Councils with the extra flexibility to increase bills to incentivise owners to bring long standing empty homes back into use.

As a result of the above; at a meeting of the Council on 24th January 2019 and following a period of consultation in November 2018 the Council has decided to adopt changes to the Empty Homes Premium. With effect from 1 April 2019, if a property is unoccupied and substantially unfurnished for more than 24 months, then an additional 100% charge will be imposed. This means that 200% Council Tax will become payable on the empty property.

Property Accreditation

Property accreditation was launched in 2013. Our Property Accreditation scheme promotes good quality and well managed private rented accommodation within Sefton as a whole. Each accredited property will receive accreditation status for 5 years. The scheme is voluntary and free to join. One of the benefits of property accreditation is helping to find tenants by advertising the property for rent to households on the Housing Register via the Council's Choice Based Lettings scheme, Property Pool Plus.

Enforcement Work

Sefton Council will always try to encourage and work with owners to bring properties back into use. Sometimes, owners can be uncooperative and untraceable. In these cases, and where the property has caused a Statutory or Public Health Nuisance it is necessary for Sefton Council to use the most suitable enforcement tool that will remove the Statutory or Public Health nuisance and help bring an empty property back into use.

The Council can use the powers listed below to require the owner to do certain works that will remove the problem. If the owner fails to carry out these works, the Council will instruct contractors to carry out the works in default and then charge the owner for the costs.

Local Government Miscellaneous Provisions Act 1982

When empty properties become insecure, the Council can request the owner to make them secure using the above power.

Prevention of Damage by Pests Act 1949

This power is used where there is a rodent infestation. The Council will require the owner to carry out certain works to remove the infestation.

The Building Act 1984

The above legislation contains powers that can require repairs to dangerous buildings. It also contains powers to deal with properties that have become ruinous and dilapidated.

Housing Act 2004

Under the Housing Act 2004, the Council can serve an Improvement Notice on the owner of an empty property. This will require an owner to bring the property up to a reasonable standard and remove any hazards.

Town & Country Planning Act 1990

Enforced Sales Procedure (ESP)

The ESP is an existing power using section 103 of the law of Property Act 1925, although primarily designed as a debt recovery process it provides a method for getting long term, problematic properties back into use and has been adopted by a number of Councils across the country as an effective way of dealing with long term empty properties.

There are many long-term empty properties in the Borough that have had legal notices served and works have been carried out in default by the Council. The costs of these works have subsequently been registered as a Land Charge to be recovered on the eventual sale of the property. Typically, these properties are some of the most problematic, where the owner clearly has no intention of bringing the property back into occupation and work in default has to be carried out time and time again to remedy problems with the empty property.

Sefton Council has successfully enforced the sale of 9 long term problematic empty homes over the past seven years.

Order For Sale

Often council tax goes unpaid where there are absentee owners. When there are large council tax debts owing on a property, a Charging Order can be placed on the property to secure the council tax debts. Similar to an enforced sale, an Order for Sale is a court order to sell a property that is subject to a Charging Order, so the debt can be paid out of the proceeds of the sale.

An Order for sale procedure can also be used in some cases to sell a long term empty property whereby there are outstanding nursing home fee debts owing to the Council that is secured on the property by way of legal charge. This procedure is the last resort and is only used on long term empty and problematic properties where the owner has passed away and probate has not been progressed.

Empty Dwelling Management Order (EDMO)

These orders allow local authorities to secure proper management and occupation of privately owned houses that have been empty for two years or more and that have become a blight on the local neighbourhood. The law relating to the service of EDMOs is contained in sections 133-138 of the 2004 Housing Act and associated Regulations. EDMOs are currently not a widely used tool across all local authorities. Sefton Council has not yet served an EDMO.

Compulsory Purchase Order (CPOs)

Providing there is a housing need, Local Authorities have the power to compulsorily acquire buildings and land to provide housing accommodation. A Compulsory Purchase Order can be used where owners refuse to take action to bring a property back into use, where an owner cannot be traced or where a property has been empty for a long time and is causing a nuisance or is a danger to the public. Due to the current financial climate and lack of resources, Sefton Council has not yet used this tool to acquire properties and bring long term empty properties back into use.

Review of Empty Homes Strategy 2014 – 2018

Matchmakers Scheme

The Matchmakers Scheme was a free service that matched Empty Home Owners in Sefton with buyers. The scheme ran from 2013 – 2018.

The scheme was very successful at the beginning, however as the scheme progressed the number of sellers advertising their property on the matchmaker scheme decreased, also the way the properties were advertised changed. Initially a property would be advertised on Sefton Councils website, however, Sellers were not comfortable with their property being advertised as Empty on the website and much preferred details of their property being emailed to the 'buyers' direct. On May 25th the new General Data Protection Regulation came into effect which helps to protect personal data including how it is stored and used. To adhere to these new regulations, buyers were asked if they would still like and receive emails informing them of any new empty properties, but only 12% of the 'buyers' responded. Due to this low take-up the matchmaker scheme is no longer available, however we may look to re-introduce this in the future, or explore developing this type of initiative on a Liverpool City Region basis with neighbouring councils.

Empty Homes Officers Action Group

An Empty Homes Officers Action Group operate and initially met on a monthly basis, whereby the Empty Homes officer meets with a representative from Legal, Planning and Council Tax teams. The empty homes group enabled the different departments to establish a good working relationship and a united approach to tackling empty homes. The group no longer meet on a monthly basis, however if a problematic case arises the group will meet to discuss the best solutions.

Action Plan

Objective 1

Raising awareness of long term empty properties as a wasted resource

Aim	Action: What we will do
To raise awareness through increased publicity	Newspaper articles and website Develop a leaflet outlining the problems associated with empty properties and possible solutions

Objective 2:

Encourage empty property owners particularly those who own properties in the selective and additional licensing area to bring properties back into use through advice and assistance, including early intervention and preventative measures

Aim	Action: What we will do
Proactively and Reactively contact owners re getting properties back into use	3 Stage positive action Letters to Empty Home Owners in the selective & additional licensing areas that have been empty more than 2 years 3 Stage positive action letters to owners whose empty properties are subject to a complaint, regardless of the area or length of time empty
Increase understanding as to why properties are left empty	Gather intelligence from Property Owners through telephone conversations, meetings and online questionnaire

Maintain an accurate database of empty properties	Using Council tax records and Flare Housing Inspection database to calculate number of properties brought back into use through the empty homes work
Ensure officers knowledge up to date	Attending Regional Best Practice Groups, training and events.
Do everything possible to trace owners whereabouts	Using tracing agents, Council Tax, Land Registry, putting adverts in local newspapers or notices on properties asking if anyone has information to share about the owner's whereabouts
Bring properties back into use through advice and assistance	All above actions contribute
Use legislation arising from the Leasehold Reform Bill to the benefit of reducing empty property numbers in Sefton	The Council promote awareness of the Leasehold reform legislation, to encourage owners of empty leasehold properties to take action to bring them into use
Use of Sefton's Housing Licensing Scheme to encourage landlords to bring any of their empty properties into use	where officers are licensing a HMO property or undertaking a licensing compliance visit to a HMO, and find empty units, they engage with the owner/landlord and see if there is advice or support that could be provided to help bring empty units into use
work in partnership with registered social landlords (RPs), to bring the properties back into use	The Council engages with housing associations to seek interest in pursuing empty properties schemes in partnership with the Council

Objective 3: Utilise a suitable range of enforcement powers to bring problematic properties back into use, through cross departmental working, focusing primarily on those empty 2 years or more in the selective and additional licensing areas.

Aim	Action
Continue with Enforced Sales and orders for sale	Identify Suitable Properties in the selective and additional licensing areas for Enforced Sales, charging Orders and Orders For Sale.
Continued cross departmental working	Ensure relevant departments are kept updated on empty homes work and assist or act upon specific cases if necessary
Utilise all possible enforcement powers	Look into Section 79, Building Act 1984, CPOs and EDMOs, subject to adequate resources being available