

EP 08

Ymchwiliad i eiddo gwag

Inquiry into empty properties

Ymateb gan: Cymdeithas Tir a Busnesau Cefn Gwlad

Response from: Country Land and Business Association



## Inquiry Response

Equality, Local Government and Communities Committee

**Closing date 31<sup>st</sup> May 2019**

## Inquiry into Empty Properties

### Who we Are

1. The CLA (Country Land & Business Association) is the leading representative organization for rural landowners and businesses across England and Wales. We have nearly 30,000 members who own and manage more than 10 million acres across the UK. Our Members engage in a wide range of business activities, from residential lettings and property management and development, to agriculture and food, forestry and tourism.

With around 3,000 members in Wales, we work closely with Welsh Government on issues concerning rural land use and wider enabling policies that support sustainable rural communities.

Our experience is that the contribution and needs of rural communities and businesses can often be under-represented in policy development. We therefore welcome the opportunity to provide evidence to the Committee Inquiry into Empty Properties from a rural perspective.

### Our Response

2. In 2017 CLA conducted research into the issues faced by our membership in relation to affordable and accessible good quality housing in rural areas<sup>1</sup>. In the resulting report it was clear that over half of our membership who responded believed there was a housing crisis in their rural community. The barriers to be overcome in bringing empty properties and vacant land into use for a range of community and economic outcomes remains a key concern. Our responses to some of the key questions posed by the Inquiry are set out below.

#### **Q1.** Is enough being done to tackle empty properties in Wales?

No. A traditionally urban policy focus has tended to overlook the fact that there are properties in rural communities and market towns that if brought into use could have a disproportionately positive effect on community sustainability. There is a need to frame policy responses and support around the particular development and refurbishment difficulties owners of older properties in rural areas face. Please see responses below.

#### **Q2.** What impact can empty properties have on a community?

A lack of good quality, mixed tenure, housing in rural areas can have a devastating effect upon the economic and social well-being and sustainability of a small rural community. In particular the dearth of accessible rural housing can impact on rural businesses and community cohesion.

Opportunities to bring empty buildings into use are needed to facilitate local economic growth and job creation, further enhancing community sustainability.

Additionally, empty properties in smaller settlements rapidly become an eyesore, impacting on adjacent businesses and homes and can contribute to a spiral of decline.

**Q3.** How effectively are local authorities using the statutory and non- statutory tools at their disposal to deal with empty properties?

Whilst compulsory and regulatory powers may be entirely appropriate in certain circumstances, the emphasis needs to be on support and information for owners and streamlining of planning processes and funding for refurbishment.

**Q4.** Do local authorities need additional statutory powers to deal with empty properties? If yes, what powers do they need?

Please see Q3 above.

**Q5.** Are owners given the support, information and advice they need to bring properties back into occupation. If not what additional help do they need?

No. Our members when surveyed indicated the following barriers to refurbishment and development.

- Difficulties with the planning system, including change of use to meet business or local needs for rented housing within a sustainable community infrastructure.
- Disinterest from developers, including housing associations, in more costly and complex refurbishment of empty rural properties and costs involved in providing an effective management service to isolated properties or small developments in remote rural areas.
- In March 2017 the CLA produced a report entitled 'The Retro Fit- Up' highlighting how Government and housing energy efficiency policies should be reformed to avoid landlords deciding the costs of improvements are too high and selling stock to owner occupiers or not bringing properties into the rental market. Financial support would be welcome for inclusion of low carbon, renewable energy features in refurbishing individual or small numbers of properties for residential use to assist with fuel poverty, given generally lower incomes in rural areas and an ageing population. Meeting higher EPC requirements in older rural properties of traditional construction e.g. solid stone walls or listed buildings with heritage features can be unviable for property owners and render them unavailable for letting, leading to dereliction and higher future costs in refurbishing or demolition.
- Landowners need consistent practical guidance and support on what they can do to bring complex refurbishment properties that would make good homes, or have ancillary community uses, up to an acceptable level that is compliant with relevant standards for the foreseeable future. This would support investment. In the absence of clear practicable guidance (which can vary between local authorities), financial support, and with uncertainty around future building energy requirements under the Low Carbon Strategy, investment decisions in empty homes can be problematic. This is particularly in terms of renewal of heating systems and detailed construction features and materials to be used and can lead to an assessment of unviability in bringing a property into use.
- Lack of access to funding support, such as Social Housing Grant, in dealing with inherently more complex rural property, subject to heritage and planning considerations. Many of our Members manage housing portfolios with expert housing land and management professionals in remote rural areas and are well placed to develop and manage empty properties for affordable rural housing with the right support.

**Q6.** Is there sufficient awareness of the practical assistance that local authorities can offer to owners of empty properties? If not, how could this be improved?

See above. Fragmentation of information across local authorities and organizations is an issue, particularly as there may be quite frequent policy changes and different interpretations of policy.

More information and practical guidance, accessible in a central "go to" guide for property owners would be useful.

**Q7.** Are the skills and resources of housing associations and the private sector being fully utilized to tackle empty properties?

Please see responses above. Many of our Members have the skills to refurbish and build homes in their rural communities. Analysis of our survey data for 2017 shows that only three per cent of members interested in developing property are motivated by a one off capital return, with 58 per cent looking to generate a reliable income stream from any property they develop. This desire to own and manage housing should be encouraged as a way to provide homes for those who are struggling to buy in rural areas where there is less interest from other developers.

In addition to building market homes for rent, the CLA believes greater incentives should be offered to landowners to encourage them to refurbish or build and manage affordable housing for rent, and planning policy should be updated to recognize the unique housing requirements of older farm workers. In our survey 64% of our Members in Wales who responded had built properties for sale or let in their communities.

Many of our members let at intermediate/sub-market rents and provide high quality “on site” management services as part of dedicated teams attached to the local farming estate. In contrast with national averages on length of tenancy across the UK 57% of respondents to our survey stated their tenants have lived in the property for 5 years with 35% of respondents stating that their tenants have lived in the property for 10 years.

**Q8.** Is enough being done to ensure empty properties can be brought back into use as affordable homes? Are there examples of good practice in this area?

Please see responses above.

**Q9.** Is the power to charge a council tax premium on long-term empty homes a useful tool and is it being effectively used? If not how could this tool be made more effective?

Please see above. Whilst approaches based on “enforcing” bringing empty properties back into use may be appropriate in some cases there is a need to ensure the reasons underpinning under-utilization of buildings in rural communities are fully understood with a focus on supportive partnership and dialogue with rural property and landowners.

Thank you for the opportunity to respond to the Inquiry.

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<sup>i</sup> “Strong Foundations -Meeting Rural Housing Needs” CLA Research Report 2017