

EP 23

Ymchwiliad i eiddo gwag

Inquiry into empty properties

Ymateb gan: Cyngor Dinas

Casnewydd

Response from: Newport City Council

1. Is enough being done to tackle empty properties in Wales? If not, what needs to change?

Many of the empty homes counted within the national Public Accountability Measure as long-term empties (i.e. those empty for more than 6 months at 1 April) would return to use anyway within a reasonable timeframe and without the need for intervention.

It often takes more than 6 months for a sale to be completed or probate to be granted, for example, and it would be more realistic to increase the definition of 'long-term' from 6 months to at least 12 months. Also, the figures for empty homes should be treated with caution. They include all sorts of properties that have historically been subject to council tax but which could not be occupied as a separate dwelling without considerable alteration.

Homes are left empty for a wide range of reasons and it seems unlikely that, in the current climate, local authorities can increase their capacity to tackle the issue or broaden their expertise. If more privately owned properties are to be returned to use, there needs to be more pressure on owners, combined with more specialist help available, particularly legal advice, either directly to owners or to local authorities.

The Empty Dwelling Management Order, introduced by the Housing Act 2004, is the only statutory power that enables a local authority to take over an empty property but it must be authorised by a Property Tribunal. The administrative, legal and management resources required to undertake the whole process, from first attempts to liaise with the owner to management of the occupancy for seven years, are considerable and deter most local authorities from using the power, so the legislation needs to be amended.

2. What impact can empty properties have on a community?

An individual empty property can give rise to environmental health and public health hazards, such as disrepair, damp and pests, which can cause problems for neighbours. It can become a venue for anti-social behaviour, leading to worries about fire risks, vandalism, trespass and fly tipping.

An empty property often looks neglected and in poor condition, which depresses the value of neighbouring homes. Where there is a concentration of empty homes in a particular neighbourhood, it can reduce the vibrancy of the community itself as there are fewer households using local businesses, fewer children at school, and so on. Visibly empty homes in an area may deter potential investors who are serious about development but can attract property speculators who have no lasting commitment to the local area.

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

Local authorities can provide information and advice to owners on their own statutory requirements and services such as planning, building control and licensing of Houses in Multiple Occupation but these are not usually the obstacles to occupation. An owner who genuinely wants to bring a property into use will usually contact the local authority at some stage and make contact with those who can help.

Unfortunately, many owners do not want things to change, for various reasons, and, if there is no breach of legislation, the only statutory powers available to the local authority to force the property back into use are the Compulsory Purchase Order and the Empty Dwelling Management Order (EDMO). Both of these are quite onerous procedures with a degree of risk to the local authority and, given all the other pressures on local authority services, these measures are rarely used.

In terms of non-statutory tools, we have discontinued the council tax discount on empty homes for the 2019/20 financial year in an effort to prompt owners to take action so we need time to see how effective this is. We have had some success with empty homes loans but the main take-up has been from developers converting non-residential properties rather than empty home owners, who tend to be private individuals rather than business people.

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

No additional powers would be needed if the EDMO could be made more effective.

At present, most local authorities would prefer to use debt collection powers to enforce the sale of an empty property rather than consider an EDMO but there are many empty properties where the owners pay the council tax and there are no grounds for statutory work or, where works in default are undertaken, the owner pays the invoice so no debt arises.

The Housing Act 2004 already sets out the circumstances in which a local authority can consider an EDMO. Possibly the legislation could be revised in Wales so that, where the conditions are met, the local authority can issue the EDMO without authorisation from a Property Tribunal unless the owner can show good reason to the local authority why it should not be issued. The owner would then have a right of appeal to the Property Tribunal. As now, local authorities would always have to carry out a 'balancing exercise' to weigh the interests of the owner against the benefits of returning the property to occupation through an EDMO.

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

In our experience, there is a complex range of issues associated with empty homes, some of which need more specialist knowledge and experience than is available within a local authority, such as:

- legal issues around probate or ownership
- mental health problems, particularly serious hoarding
- emotional issues associated with the property

Referral to specialist services, where they are available, can often be difficult because the owner is unable or unwilling to engage with them.

6. 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?

We write to owners with offers of assistance but responses are rare. Generally speaking, owners who are ready to return their property to use will contact the authority to find out what assistance is available. We also provide information on our website and in the local free paper.

7. Are the skills and resources of housing associations and the private sector being fully utilised to tackle empty properties?

As above, the main obstacle to the re-use of empty properties is the readiness or ability of owners to take the required action.

Owners do enquire from time to time about selling their property to the council or a housing association but there is no provision for this, for a number of reasons. Owners also report difficulty in finding reliable contractors; the possibility of an 'end-to-end' service where an agency arranges the renovation of a property and then either its sale or let, recovering expenses from the sale proceeds or rental stream, might appeal to

some owners. This is the kind of service that could be offered by a housing association but the fee required to cover the cost would probably be a deterrent to owners; this is currently the case in some areas where the local authority offers an agency service.

8. 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?

There are two main reasons to bring empty homes back into use;

- (a) To ensure best use of the existing housing supply, and
- (b) To resolve the problems associated with individual empty properties.

There will continue to be a case for tackling problem long-term empties. In terms of the affordable housing supply, most empty homes in our area would be at the affordable end of the sale or rental market. Introducing any additional requirements could make successful intervention more difficult.

9. 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?

Few councils in Wales have introduced premiums to date so it is too early to assess the effectiveness. Like a number other councils, we have now discontinued the 50% council tax discount on empty homes and will assess the impact of this step before considering the introduction of council tax premiums.