

BABERGH DISTRICT COUNCIL

TO:	BABERGH CABINET	REPORT NUMBER: BCa/22/9
FROM:	Councillor Jan Osborne Cabinet Member for Housing	DATE OF MEETING: 4th July 2022
OFFICER:	Gavin Fisk – Assistant Director for Housing	KEY DECISION REF NO. CAB328

EMPTY HOMES POLICY 2022

1. PURPOSE OF REPORT

- 1.1 To approve the proposed Empty Homes Policy that sets out how we will deal with long-term empty properties within the Babergh District.
- 1.2 To consider the feedback from Overview & Scrutiny Committee held on 25th April 2022 and agree the response to each recommendation.
- 1.3 To support the strategic priorities of providing more homes to meet local need and maximising the use of existing private sector housing.

2. OPTIONS CONSIDERED

- 2.1 Option 1 – Adopt the new Empty Homes Policy to ensure a fair and consistent approach to owners of long-term empty homes. To agree the response to each Overview & Scrutiny Committee recommendation as set out in paragraph 4.11.
- 2.2 Option 2 – Recommend to Cabinet not to implement the new Policy. If the Council chooses not to consider the approval of the policy, then it is highly likely an increasing number of houses will fall into a state of dilapidation and anti-social behaviour will increase.

3. RECOMMENDATIONS

- 3.1 Option 1 - Approve the new Empty Homes Policy, as set out in Appendix A of this report and considering the recommendations from Overview & Scrutiny Committee held on 25th April 2022.
- 3.2 The Assistant Director for Housing, in consultation with the Portfolio Holder for Housing has delegated authority to make minor changes to the Empty Homes Policy.

REASON FOR DECISION

- 3.3 There is a demand for housing in the Babergh District and long-term empty properties, which could otherwise be made available for; sale, rent or owner occupation are a wasted housing resource and give rise to complaints.
- 3.4 If a Compulsory Purchase Order (CPO) is applied for, the Empty Homes Policy will help satisfy the Secretary of State of the process the Council has taken.

4. KEY INFORMATION

- 4.1 From data supplied by the Shared Revenues Partnership in March 2022, there were 446 long term empty properties which had been empty for longer than six months in Babergh and for comparison 528 in Mid Suffolk.
- 4.2 Babergh Council Tax legislation identifies a property as a long-term empty home when it has been unoccupied and unfurnished for 6 months or more. Currently, if a property remains empty for more than two years a Council Tax premium is applied as set out below:

Empty properties in Babergh District Council

From 1st April 2019, when a property has been empty for over 2 years, a 'long-term empty premium' of 100% is applied. The rate of Council Tax payable is 200%. Prior to this date, the premium charge was 50%, making the previous rate payable 150%.

For the financial year beginning on 1 April 2020 the maximum premium is;

- Long Term Empty 2-5 years – 100%
- Long Term Empty 5 years and over - 200%

For the financial year beginning on 1 April 2021 the maximum premium is;

- Long Term Empty 2-5 years – 100%
- Long Term Empty 5 -9 years - 200%
- Long Term Empty at least 10 years and over – 300%

From 1st April 2021, properties that have been unoccupied and unfurnished for more than 10 years will be charged 4 times the standard amount. See the example below;

Council Tax	£1,500
300% Premium (10 Years & Over)	£4,500
Council Tax Payable	£6,000

- 4.3 A full-time Empty Homes Officer was recruited for Babergh & Mid Suffolk at the end of November 2021, following a restructure within our Private Sector Housing Team. A designated officer to now focus solely on bringing empty homes back into use, is a sustainable way of increasing the overall supply of housing, and to reduce blight on neighbourhoods.
- 4.4 In December 2021, there were 783 active applications on the housing register for Babergh District Council and 631 for Mid Suffolk. Bringing empty properties back into use will increase the supply of housing to help to meet local housing need and demand.
- 4.5 Tackling empty properties is a slow and complex process. There are a wide variety of reasons for owners not wishing, or not being able to return the property to use. Engaging and negotiating with these owners is key to success. The Council wants to engage positively and work with owners to find solutions.

- 4.6 The Empty Homes Toolkit sets out how we will proactively support owners, depending on their circumstances as to why a property might be empty. The Toolkit provides template documentation to support the Officer with potential enforcement options, should these be required. Enforcement options are limited but the Council can consider those outlined in the Policy at Appendix 1. The Policy outlines the different toolkit options.
- 4.7 A policy is essential to provide clarity to residents on how the council will act, as well as providing clarity around formal and informal options it may pursue, to bring an empty property back into occupation. It is important the policy is kept up to date to ensure it follows operational changes within the Council and legislative changes that may come into force. The policy must remain robust and be able to stand up to scrutiny should a member of the public, or a business, makes a complaint relating to the way the Council has handled their case and/or when the Council submits a Compulsory Purchase Order application to the Secretary of State.
- 4.8 Overview & Scrutiny Committee reviewed the draft Empty Home Policy at its meeting on the 25th April 2022 and made 7 unanimous recommendations. The recommendations are listed the table below with a response for each.
- 4.9 Overview & Scrutiny Committee Recommendation and Proposed Response:

No.	Recommendation	Response
1.	That the Overview & Scrutiny Committee compliments the officers on the report and presentation and recommends to Cabinet that the policy be adopted taking in to account the following recommendations	For NOTING
2.	That Overview & Scrutiny considers that the maxim loan of £20k is insufficient and asks that Cabinet raises the level of loans and consider if a nominal rate of interest should be applied	The current loan of £20k is set out in the current "Housing Renewal Policy 2014". When the policy is next reviewed, the maximum loan & interest charge will be considered. RECOMMEND loan value is considered when the Renewal Policy is next reviewed. Date for review to be confirmed.
3.	That loans for works to improve for energy efficiency of homes should also be available.	To NOTE a range of grants and loans are already available to Homeowners. (see 11.2)
4.	That the information in the communication plan is strengthened including publicity via Parish Councils and local community groups	RECOMMEND these suggestions are considered for the Communications Plan

	and that a briefing note be circulated to Councillors when the policy is adopted.	when the Policy is approved.
5.	That Cabinet be asked to monitor the budget for empty homes this year and consider whether an increase is required for 2023/24	To NOTE and the budget is monitored via performance reports to Cabinet.
6.	That further quantitative information is provided to Members of the Committee on the Empty Homes' loans and the financial implications for the Councils.	To NOTE and Overview & Scrutiny can be updated in 12 months' time via a briefing paper to committee
7.	That close working is encouraged with the Homelessness Outreach officers.	To NOTE and this is already well-established working practice.

Babergh District Council

No.	Recommendation	Response
1.	That the Empty Homes workload be kept under review by Cabinet to explore additional funding options for an Empty Homes officer	To NOTE and consider in 12 months time.

5. LINKS TO CORPORATE PLAN

- 5.1 The Empty Homes Policy aligns with the vision set out in the Joint Homes and Housing Strategy (2019-2024),

Aim 1: The housing market functions effectively, providing homes which are as affordable as possible; to meet the needs of residents and support the local economy; and

Aim 6: Best use is made of private sector land and private accommodation across the districts.

6. FINANCIAL IMPLICATIONS

- 6.1 This policy has an existing allocated Capital Budget. Historically this budget has been underspent and this new Policy will increase expenditure against budget.
- 6.2 The 2022/23 capital budget for the issue of Empty Home Renovation Loans are shown in the table below. A covenant is applied to the deeds of the property to ensure the loan is repaid when the property is sold or transferred.

Capital Budget	Babergh
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2022 / 23 Allocation	£100,000
Underspend c/f*	£222,000
TOTAL Budget 22/23	£322,000

* Estimate as per 2022/23 budget, pending finalisation of the 21/22 outturn position

- 6.3 Overview & Scrutiny Committee requested consideration for charging of a nominal interest rate on loans. This is not recommended due to the disproportionate amount of additional resource required against the income generated. The social value to provide the loans interest free is of greater benefit to bring the homes back into use. For example, issuing one loan will bring a property back into use, reduce anti-social behaviour, create employment opportunities and improve the aesthetics of the local community.
- 6.4 If a Compulsory Purchase Order (CPO) is required, legal expenses will be incurred to complete the legal process plus the purchase cost of the property. These costs will vary dependent on each case and a separate report would come to Council for approval. For the same reason, repayment terms of any sort are not recommended.

7. LEGAL IMPLICATIONS

- 7.1 There are no legal implications arising from this report. The Legal Service has been consulted on the policy.

8. RISK MANAGEMENT

- 8.1 This report is most closely linked with the Council's Corporate / Significant Business. Key risks are set out in the table below:

Risk Description	Likelihood	Impact	Mitigation Measures
Failure to bring empty homes back into occupation can result in complaints from neighbouring properties.	4 – Highly Probable	1 - Minimal	Members approve the proposed Empty Homes Policy, to ensure Officers can take proactive steps using the Toolkit.
If a Compulsory Purchase Order (CPO) is required, the Secretary of State will expect a Policy to be in place before making an Order.	4 – Highly Probable	4 - Disaster	Approve policy to enable CPOs to proceed with less challenge
Housing Need & Demand –	4 – Highly Probable	1 - Minimal	Approve the policy to help facilitate

Returning long-term empty properties back into use will help meet housing need.			properties being brought back into use
The Councils may be perceived to be untrustworthy and have a poor reputation by allowing long term empty properties to cause a nuisance and or annoyance.	4 – Highly Probable	1 - Minimal	Approve the policy to help facilitate properties being brought back into use

8.2 This policy aims to ensure that empty homes are brought back into use and seeks to reduce risks and enhance the Councils' reputation by working with owners of empty private residential properties to ensure that the homes are brought back into use. Without this policy owners of empty private residential properties would not receive support to help them to bring the property back into use. Consequently, empty homes may attract anti-social behaviour and/or criminal activity and have a detrimental impact on the surrounding community and impact the Councils' reputation. The implementation of this policy will ensure that these risks are monitored and mitigated through the consistent implementation of this policy. There are no unintended effects, consequences or risks envisaged from the implementation of this policy.

9. CONSULTATIONS

9.1 Consultation has begun with our Shared Revenues Partnership (SRP) team to set up regular exchange of information to allow tracking of empty homes. Collaboration with SRP will assist with joint investigations into properties that may be classed as furnished and allegedly occupied when they could be a long-term empty.

9.2 Consultation has taken place with our Assets and Investment Team in how certain sections of the policy toolkit can impact upon and overlap with them, particularly with enforcement options and CPO's.

9.3 Communication is underway with our Planning and Heritage Teams to establish good working links for a more streamlined approach to investigations, identification of empty properties and potential solutions that may require planning consents.

9.4 Consultation with our Shared Legal Services Team has taken place as part of the process to bring this policy to Members. Parts of the Policy and Toolkit will impact upon and overlap with them, particularly enforcement options.

10. EQUALITY ANALYSIS

10.1 An Equality Impact Assessment (EIA) is not required because the policy is focused on buildings rather than individuals with a protected characteristic.

11. ENVIRONMENTAL IMPLICATIONS

- 11.1 The Council currently receive complaints about long term empty homes. The complaints include the accumulation of waste, harbourage for rodents, pigeons and other pests. Long term empty properties are unsightly and attract ASB. Returning properties back into use will resolve these complaints and improve the local area.
- 11.2 Homeowners carrying out renovation work and improvements will be encouraged to increase the thermal efficiency of the property to a minimum EPC C if practicable and feasible. The cost of these works can be included in the Empty Homes loan alongside the applicant applying for other Energy Efficiency grants available. The Empty Homes Officer would help advise and signpost the applicant to available loans and grants.

12. APPENDICES

Title	Location
(a) Empty Homes Policy 2022	Attached

13. BACKGROUND DOCUMENTS

- 13.1 Compulsory Purchase Guidance [Compulsory purchase process and the Crichel Down Rules \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)
- 13.2 The Housing (Empty Dwelling Management Order) (Prescribed Period of Time and Additional Prescribed Requirements) (England) (Amendment) Order 2021 [The Housing \(Empty Dwelling Management Orders\) \(Prescribed Period of Time and Additional Prescribed Requirements\) \(England\) \(Amendment\) Order 2012 \(legislation.gov.uk\)](https://www.legislation.gov.uk)
- 13.3 Housing Renewal Policy 2014 - [Empty Homes Renovation Loan » Babergh Mid Suffolk](#)

14. **REPORT AUTHOR** *Amanda Todd, Senior Environmental Health Officer*