

Draft Empty Homes Strategy

2022-2025

Contents

		Page
Foreword		iii
Introduction		1
Objective 1:	Maintain relevant, accurate and current information relating to empty homes and dwellings in the area	3
Objective 2:	Bring empty homes and dwellings back into use through encouragement, advice and assistance	6
Objective 3:	Where all other negotiation has failed, look to take the appropriate enforcement action to ensure empty homes are brought back into use	7
Objective 4:	Raise awareness of the Empty Homes Strategy with residents, dwelling owners and town and parish councils.	9
Appendix I:	Action Plan	
Appendix II:	Priority scoring matrix	
Appendix III:	Enforcement powers	

Foreword

Welcome to Shropshire Council's Empty Homes Strategy 2022-25. This Strategy sets out how the Council will seek to reduce the number of empty homes, whilst promote options for bringing empty homes and other properties back into use as residential accommodation.

Empty dwellings are a wasted resource and often blight our communities, especially in a local authority such as Shropshire where there is such high demand for housing. We plan to work together to identify empty homes so owners can be given advice and assistance in order to sell, lease or rent their dwellings. With this support available, enforcement action should happen only as a last resort.



Cllr Rob Gittins Portfolio Holder for Built Housing

Introduction

- 1.1 This Strategy aims to provide an understanding as to why homes become empty, the issues caused by empty homes within an area and what advice and assistance is available to the owners of empty homes. The strategy also sets out how the Council prioritises its resources to bring empty homes back into use in the most effective way, and where appropriate will use the powers available to bring empty homes back into use.
- 1.2 There are a number of benefits of having an Empty Homes Strategy, which include assisting in meeting housing need and demand across Shropshire, preventing anti-social behaviour, crime and the fear of crime surrounding empty dwellings and supporting the regeneration of our high streets and town centres.
- 1.3 The vision of the Housing Strategy 2020-25 is:

All homes are well designed decent homes of high quality, which will protect Shropshire's unique urban and rural environments and ensure it is a great place to live. That all Shropshire residents have access to the 'right home in the right place' to support and promote their health and wellbeing throughout their lives.

- 1.4 An important objective of the Housing Strategy is to make the best use of existing assets, through bringing empty homes and dwellings back into use as residential accommodation to meet housing need and demand.
- 1.5 In order for the housing market to function, and due to issues, such as repair works, probate or people receiving care, there will always be an element of empty homes. As shown in Figure 1, in October 2021 the number of registered empty residential dwellings in the Shropshire Council area was 3,979 this being 2.7% of dwelling stock, which was slightly higher that the proportion of empty residential dwellings in England, this being 2.6%.
- 1.6 Central government classes residential empty dwellings which have been empty for more than six months as long-term empty dwellings. As shown in Figure 1 at October 2021 Shropshire had 1,444 dwellings which had been empty for over six months. This equates to just under 1% of residential stock, in line with the England average.
- 1.7 In April 2022 Shropshire had 1,475 dwellings (0.9% of dwelling stock) which had been empty for over six months, of these 572 (0.4% of dwelling stock) had been empty for over two years. Almost 90% of these dwellings are privately owned and are dispersed throughout the county rather than concentrated in particular localities.

Figure	1 1
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i igui e i	Shropshire		West Midlands		England	
	All empty homes	Empty for over six months	All empty homes	Empty for over six months	All empty homes	Empty for over six months
October 2015	4,317	1,526	63,181	21,775	600,179	203,596
October 2016	4,356	1,535	60,559	21,186	589,766	200,145
October 2017	4,375	1,555	62,919	20,996	605,891	205,293
October 2018	4,460	1,654	64,309	22,381	634,453	216,186
October 2019	4,322	1,571	66,322	23,515	648,114	225,845
October 2020	4,262	1,733	70,024	28,740	665,628	268,385
October 2021	3,979	1,444	69,135	25,726	653,025	237,340

- 1.8 The Strategy both seeks to deliver key priorities in the Housing Strategy and links to other housing policies and plans, for example, the Private Housing Assistance Policy.
- 1.9 The Empty Homes Strategy has four objectives:
 - Objective 1: Maintain relevant, accurate and current information relating to empty homes in the area
 - Objective 2: Bring empty homes back into use through encouragement, advice and assistance
 - Objective 3: Where all other negotiation has failed, consider options for taking the appropriate enforcement action to ensure empty homes are brought back into use
 - Objective 4: Raise awareness of the Empty Homes Strategy with residents, dwelling owners and town and parish councils.
- 1.10 Each objective contains a number of "priorities for action"; these form an Action Plan at Appendix I which will allow monitoring and review of the Strategy.

¹ Live tables on dwelling stock (including vacants) - GOV.UK (www.gov.uk)

Objective 1: Maintain relevant, accurate and current information relating to empty homes in the area

- 2.1 Dwellings can naturally become empty for periods of time, perhaps due to the buying and selling process, being between tenants or when an owner passes away. However, when a dwelling remains empty for a significant period of time, or is attracting unwanted attention, then it is considered a "problematic empty dwelling".
- 2.2 Shropshire does not have any specific residential areas suffering from market failure, instead empty dwellings are dispersed across the authority. There are several reasons why homes become empty in the longer term, including:
 - the dwelling is difficult to sell or let;
 - it is being renovated;
 - the owner does not have the finances/time/skills to manage the dwelling;
 - the dwelling has been repossessed;
 - probate issues;
 - the dwelling is an inherited family home and the owner has emotional links creating a reluctance to sell;
 - the owner is being cared for elsewhere/is in hospital; and
 - the dwelling was bought as an investment, but the market has changed, and the project is no longer viable or there are insufficient finances to develop.
- 2.3 It is important that the Council ensures it maintains an up-to-date database of all empty dwellings. Only then can the Council fully understand the reason for dwellings remaining empty and then can work with the owners in the most appropriate way for each circumstance.
- 2.4 The initial step is to identify where the empty dwellings are and who owns them. The main approach the Council has of collating information about empty residential dwellings is using Council Tax records. Permission to use this information was introduced in the Local Government Act 2003.
- 2.5 Identifying empty dwellings is not always straightforward. A dwelling may be used as a second home, and so not occupied on a permanent basis, but is in use. Or instead, a dwelling may be empty, but not registered as such with Council Tax. It may be that perceived non-residential space such as that often found above shops is being used for storage or other business-related matters, therefore, although not immediately obvious, is in use.
- 2.6 Although it is now compulsory in England to register any dwelling with the Land Registry which changes ownership or has a mortgage taken out against it for the first time, this was not the case in Shropshire until 1 January 1990 (1 April 1986 for the former district of Bridgnorth). Therefore, dwellings which have not changed ownership since that time may not be registered with the

Land Registry and information regarding the dwelling will not be available from this source.

- 2.7 It may not be immediately evident who the owner of a dwelling is or where they are, as they may have moved away with little information available to trace them. There are various reasons why this may be the case and outside agencies may be needed to be enlisted to assist us with tracking them down.
- 2.8 Once the owner is identified, the Council will contact them and try to engage with them in order to bring the dwelling back into use.
- 2.9 It should be remembered that the reason can be sensitive, for example, a dwelling where the owner has gone into residential care and is hoping to return, where the owner is otherwise in crisis, or where the dwelling is subject to probate.
- 2.10 A dwelling may be owned by a number of different people or companies, some or all of whom may be untraceable. The dwelling may be subject to legal proceedings such as divorce settlements, insolvency, or proceeds of crime restrictions.
- 2.11 Some dwellings are deliberately kept empty by the owner for specific reasons such as for their children when they leave home or elderly relatives who are in care. Others are kept empty until the owner feels the housing market is suitable to sell the dwelling at the price they want.
- 2.12 A notable number of dwellings remain empty, often for a substantial number of years, where the owner has health issues and emotional attachments to the dwelling which make it difficult for them to consider removing any items from the dwelling or consider selling or renting it.
- 2.13 Some owners are reluctant to engage with the Council and believe that as the dwelling is privately owned the Council do not have the right to require action to return it to use. They may be unaware of, or have no concern for, the affect the dwelling has on the local area and surrounding dwellings.
- 2.14 A number of empty dwellings within the county are classified as Listed Buildings and/or are located within conservation areas or might otherwise be considered historic because of their age and character (and would be treated as 'non-designated heritage assets' within the planning system). These dwellings can provide additional challenges due to their nature and the requirement to protect their architectural and historic interest. If these dwellings are neglected their physical condition will frequently start to deteriorate. This can result in a loss of historic fabric and structural integrity through decay, weather ingress, vegetation growth and animal infestation, such as pigeons and other vermin.
- 2.15 There may be dwellings awaiting planning permissions and work cannot commence whilst this is being sought. A number of these may include

specialist permissions if they are Listed Buildings or located in a Conservation Area.

2.16 A scoring matrix (Appendix II) will be completed for all residential empty dwellings empty for over twelve months.

Priorities for action

- Introduce a web-based system to enable parish and town councils, community groups and residents to report empty dwellings
- Continue to receive monthly update reports on residential empty dwellings from Council Tax
- Ensure all empty dwellings which are empty for over twelve months have a completed scoring matrix

Objective 2: Bring empty homes back into use through encouragement, advice and assistance

- 3.1 Once the Council has established the owner of the empty dwelling, it will contact the owner and set out the options of renting out the dwelling, selling it or moving into. Of course, bringing the dwelling back into use will relate to the level of repairs and improvements needed and the desire of the owner to reach a resolution.
- 3.2 The Council provides information, signposting and advice to owners of empty dwellings to help identify the best solutions to bring their empty dwelling back into use. For example, advice on how to present an empty dwelling to prospective purchasers, information on VAT relief for renovating an empty dwelling or assistance with finding tenants.
- 3.3 The Council will explore opportunities for establishing a "purchase and repair" scheme specifically for empty homes. Such a scheme would provide additional affordable housing through acquiring empty homes and improving them to a lettable standard.
- 3.4 In addition, the Council is exploring the establishment of a social lettings agency to provide a private rented offer. Such a scheme could allow owners of empty homes to lease these to the agency. The agency would undertake the management of the dwelling, including letting, tenancy, repairs and void management, and pay the owner an agreed proportion of the rent.

Priorities for action

- Contact owners of dwellings empty for over six months to establish reason why dwelling is empty and provide advice
- Explore opportunities for establishing an empty homes "purchase and repair" scheme
- Investigate options for the Council to introduce a social lettings agency, including opportunities with STAR Housing

Objective 3: Where all other negotiation has failed, consider options for taking the appropriate enforcement action to ensure empty homes are brought back into use

- 4.1 The Council aims to bring all empty dwellings back into use with the cooperation of the owners and will only move to take enforcement action as a last resort and where there are exceptional circumstances that justify such action. Subject to available resources within the Council, particularly available funding, enforcement powers (see Appendix III) will be considered where it can be demonstrated that owners have been unwilling to engage with the Council over a significant period of time, and the dwelling is either creating a specific problem that is severely impacting the locality, or it would help to meet a particularly critical housing need.
- 4.2 There is a range of legislative powers available to the Council to deal with immediate and specific issues such as vermin, nuisance, fly tipping and insecure or dangerous buildings. Although the actions available under the relevant legislation will deal with specific issues, they will not necessarily result in the dwelling being returned to use.
- 4.3 Other powers can be used to deal with empty dwellings in the longer term, these being Enforced Sale, Empty Dwelling Management Orders and Compulsory Purchase Orders. These routes are both resource intensive and very costly. Use of Compulsory Purchase powers is a last resort and can only be considered after all reasonable attempts to acquire a property through negotiation and all other avenues have been exhausted, and when a case for their use can be demonstrated to have compelling public benefits. A Public Inquiry is convened if a Compulsory Purchase Orders is subject to objection and the Order also requires confirmation by the Secretary of State. The decision to undertake these forms of enforcement action will be based on an assessment of each empty dwelling using the scoring matrix at Appendix II. Action will be subject to available resources within the Council, particularly available funding, and only considered for those dwellings with a "high" score.
- 4.4 Government regulations allow local authorities to increase the level of the council tax premium (this is in additional to the standard council tax levy) depending on the length of time the dwelling has been empty and substantially unfurnished. Shropshire Council charges the council tax premium in respect of empty and substantially unfurnished residential dwellings as below:

Empty Period	Premium
Two to five years	100%
Five to ten years	200%
Over ten years	300%

4.5 The Levelling Up and Regeneration Bill, which had its first reading in Parliament on 11 May 2022, changes the qualifying period for use of the long-term empty homes premium. It proposes that Council's may levy a premium

of up to an additional 100% on council tax bills for empty homes after one year (as opposed to two years which is the current requirement).

Priorities for action

- Establish an Enforced Sale procedure
- Establish an Empty Dwelling Management Order procedure
- Establish a Compulsory Purchase Order procedure
- Ensure that the matrices for dwellings which are empty for over two years are kept up to date and dwellings prioritised for potential enforcement action

Objective 4: Raise awareness of the Empty Homes Strategy with residents, dwelling owners and town and parish councils

- 5.1 Empty dwellings can have a direct impact on adjoining dwellings through issues such as damp and structural problems. Alongside this, unsightly dwellings can have a detrimental effect on neighbouring house prices and can also result in a lack of pride in the area.
- 5.2 The possibility of empty dwellings attracting unwanted attention can also result in crime and anti-social behaviour and cause anxiety and concern for local residents.
- 5.3 Returning empty dwellings to use can help eliminate these issues and ensure that house prices in the neighbourhood are protected from preventable reductions.
- 5.4 By returning empty dwellings to use, homes can be provided for local people enabling them to remain close to schools, employment and support networks. There are many households across the county in housing need and the utilisation of empty dwellings could prevent some of these people from facing issues such as homelessness and over-crowding or provide a first home for a local person.
- 5.5 Creating new housing in town centres from under-utilised space provides additional accommodation to help reduce the number of those in housing need, whilst improving the visual aspect of the town centre. Returning to use commercial dwellings can assist in the regeneration of town centres and villages. Shropshire attracts many visitors each year with its mixture of beautiful countryside, tourist attractions and towns to visit. By reducing empty dwellings in town centres this will ensure this important aspect of the economy can continue to flourish.
- 5.6 It is, therefore, important that owners of long term empty residential and commercial dwellings contact the Council to discuss their options for bringing their dwelling back into use. This position is enhanced if parish and town councils, individual residents and community groups inform the Council about any empty dwellings both residential and commercial.
- 5.7 Moreover, town and parish councils, community groups and individual residents are encouraged to advise the Council of empty dwellings that are creating a problem in their local area or where the owner may need some assistance to return the dwelling to use.

Priorities for action

• Establish a media campaign to publicise the Empty Homes Strategy

Appendix I: Action Plan

Priority for action	Timescale	Outcome	Responsible service
Introduce a web-based system to enable parish and town councils, community groups and residents to report empty dwellings	April 2023	Parish and town councils, community groups and all members of the public can easily report empty dwellings	Housing Enforcement Team ICT
Continue to receive monthly update reports on residential empty dwellings from Council Tax	Ongoing	Ongoing monitoring of the number and location of empty homes	Council Tax Housing Enforcement Team
Ensure all empty dwellings which are empty for over twelve months have a completed scoring matrix	June 2023	A database providing data of all long-term empty dwellings and an accompanying initial score	Housing Enforcement Team
Contact owners of dwellings empty for over six months to establish reason why dwelling is empty and provide advice	June 2023 and ongoing	The Council has qualitative information as to why dwellings are empty. Owners understand the financial implications of leaving a dwelling empty and may consider selling or renting the dwelling.	Housing Enforcement Team
Explore opportunities for establishing an empty homes "purchase and repair" scheme	Ongoing	Empty homes brought back into use as affordable housing.	Housing Strategy and Development Housing Enabling Team STAR Housing
Investigate options for the Council to introduce a social lettings agency, including opportunities with STAR Housing	September 2022	Establish a business case and vehicle for delivering a social lettings agency	Housing Strategy and Development STAR Housing
Establish an Enforced Sale procedure	December 2022	Enforced Sale procedure in place.	Housing Enforcement Team Legal
Establish an Empty Dwelling Management Order procedure	December 2022	Empty Dwelling Management Order procedure in place.	Legal STAR Housing Property and Development

Establish a Compulsory Purchase Order	December	Compulsory Purchase Order procedure in	Property and
procedure	2022	place.	Development
			Legal
			Planning Enforcement
			Team
Ensure that the matrices for dwellings empty	September	Long term empty dwellings are prioritised	Housing Enforcement
for over two years are kept up to date and	2023	for potential enforcement action based on	Team
dwellings prioritised for potential		an open and transparent ranking system	Historic Environment
enforcement action			Team Planning
			Enforcement Team
			Building Control Team
Establish a media campaign to publicise the	September	The public are aware of how to report	Communications and
Empty Homes Strategy	2023	empty homes and of the advice,	Engagement Team
		assistance and potential enforcement	
		options	

Appendix II: Scoring Matrix

Criteria	Response	Score
How long has the dwelling	Over 10 years	5
remained empty?	5 to 10 years	3
	2 to 5 years	2
	6 months to 2 years	1
	Over 6 months	0
Location	Prominent position in residential area	5
	Residential area	3 2
	Isolated dwelling with access	2
	Extremely isolated with no access	1
Special interest	Listed building and in conservation area	5
•	Listed building or in conservation area	3
	None	0
Is there evidenced housing	Yes	3
need for dwelling?	No	0
General condition of dwelling,	Extremely unsightly / detrimental to area	5
including outbuildings and	Noticeably empty / unattractive	3
gardens	Some issues but not stand out	1
0	Well maintained	0
Evidence of ASB / crime at the	Persistent	5
dwelling	Frequent	3
5	Minimal	1
	None	0
Number of complaints,	Over 5	3
including those relating to	1 to 5	1
garden, fly tipping, vermin and vehicles	Nil	0
Has enforcement action been	Yes	5
undertaken?	No	0
Debts owed to Shropshire	More than £5,000	5
Council	Less than £5,000	3
	Nil	0
Works in default undertaken by	One or more	5
Shropshire Council	Nil	0
Additional empty dwellings	Two or more	5
owned / managed by this	One	3
owner	Nil	0
Owner interaction	Minimal / no contact and little effort made	5
	Some contact and efforts made	3
	High level of co-operation	0
	Total score	1
	Risk rating	1

Risk

Rating	Score
High	35 or above
Medium	21 to 34
Standard	0 to 20

Appendix III: Enforcement Powers

Prevention of Damage by Pests Act 1949 Sections 2 to 7: This requires the owner of the dwelling to take steps to clear the land of vermin and/or remove waste likely to attract vermin or for the Council to do this.

Local Government (Miscellaneous Provisions) Act 1982 Section 29: This enables the Council to secure an empty dwelling against unauthorised access or to prevent it from becoming a danger to public health.

Building Act 1984 Sections 77 and 78: This allows the Council to require owners of dangerous or dilapidated buildings to make these safe or for the Council to take emergency action to make the dwelling safe.

Building Act 1984 Section 79: This requires the owner to rectify a dwelling where it is adversely affecting the amenity of the area through its disrepair.

Environmental Protection Act 1990 Sections 79 to 81: This requires the owner to abate the nuisance or prevent its recurrence or gives the Council the power to do so.

Town & Country Planning Act 1990 Section 215: In certain circumstances an owner can be served a notice which requires them to take steps to ensure the condition of their dwelling and/or land does not adversely affect the amenity of an area. Where the owner fails to comply with such a notice, the Council may undertake the works in default and make a charge against the dwelling. Although this action will not result in the dwelling being returned to use, Section 215 notices can be used as the basis of an enforced sale (see below).

Housing Act 2004: Where a dwelling has category 1 hazards present the Council is required to act, this includes serving notice to undertake remediation works. If the owner fails to comply with the notice, this allows the Council to undertake the works in default and recover the costs.

Planning (Listed Buildings and Conservation Areas) Act 1990 Section 54(1): Gives the local planning authority the power to execute an **Urgent Works Notice** to preserve unoccupied listed buildings. The scope of the works that can be specified are restricted to emergency repairs to keep a building wind and weatherproof and safe from collapse, or action to prevent vandalism or theft. The steps taken should be the minimum consistent with achieving this objective and should not involve an owner in great expense. Section 55(1) of the Listed Buildings Act 1990 allows a local authority that has incurred expenditure through service of an Urgent Works Notice, and subsequently undertaking the works in default, to seek to recover their expenses from the building owner.

Anti-social Behaviour, Crime and Policing Act 2014: Where a dwelling is creating a continued problem affecting the surrounding area the use of a **Community Protection Notice** and its associated process may be possible. This is to address anti-social behaviours issues, not to bring the dwelling back into use, but may encourage the owner to sell or renovate their empty dwelling.

Law of Dwelling Act 1925: allows the Council to force the sale (*Enforced Sale*) of a dwelling where there is an outstanding debt owed to it which has been registered against the title of a dwelling. This debt may have arisen as a result of works in

default, where a Statutory Notice has not been complied with, or a Court imposed charging order has been placed on the dwelling for Council Tax debt. The dwelling is sold at auction and the cost of the statutory works undertaken in default by the Council, fees, debts and administration charges can be recovered from the proceeds of sale. This process can only be halted by the debt being paid to the Council before the forced sale is completed.

Housing Act 2004: Where a residential dwelling has been empty for more than two years and the owner cannot demonstrate efforts or plans to return it back into use, the Council can apply for an *Interim Empty Dwelling Management Order*. This Interim Order gives the Council management of the dwelling for a period of one year, although the Council cannot let the dwelling during this time without the consent of the owner. During this time other measures to return the dwelling to use are explored with the owner but should these be unsuccessful a *Final Empty Dwelling Management Order (EDMO)* can be applied for. A Final EDMO enables the Council to carry out any works to the dwelling necessary to make it habitable and let the dwelling, using the rent to pay for the works carried out and any management costs, with any balance being paid to the owner. This Order can last up to seven years.

Housing Act 1985 Section 17 and Town and County Planning Act 1990 Section 226: the Council has powers to apply for a Compulsory Purchase Order (CPO) on an empty dwelling where the owner has made little or no effort to return the dwelling to use. It must be demonstrated that steps have been taken to encourage the owner to bring the dwelling back into occupation and that there is no other chance of the dwelling being occupied. It is also necessary to show that the dwelling is required for housing in the area. A CPO is the final solution to a problem empty dwelling as it removes ownership from the current owner. The Council purchases the dwelling from the owner to dispose of as it sees fit (the Council could either look to dispose of it to be used as affordable housing or instead dispose on the open market, subject to covenants to undertake works and re-occupy). CPO can also be carried out through negotiating a voluntary acquisition where the owner agrees that the Council can purchase the dwelling which can speed up this process.

Acquisition of Land Act 1981 sets out the procedures a local authority is required to follow when making a Compulsory Purchase Order. Further guidance is also provided the Government's <u>Guidance on Compulsory purchase process and The</u> <u>Crichel Down Rules' (2019)</u>.

Planning (Listed Buildings and Conservation Areas) Act 1990 Section 7 and Section 47: Section 7 of the provides that an appropriate authority or the Secretary of State may compulsorily acquire a listed building in need of repair if it appears that reasonable steps are not being taken for its proper preservation. Under section 47, there is a two-stage process: (i) service of a **Repairs Notice**; and (ii) service of a **Notice of Compulsory Acquisition** on every owner, lessee and occupier if, after the expiry of a minimum of two months it appears to the appropriate authority that reasonable steps are not being taken for properly preserving the building. It is important to emphasise that this is reserve power which is only to be used to ensure the long-term preservation of a listed building, when all other steps to achieve this have been exhausted.

Housing Act 1985: This gives the Council the power to place a demolition order on a dwelling where category 1 hazards exist and demolition is considered to be the most satisfactory course of action. The owner of the dwelling is responsible for its

demolition and retains ownership of the land. Where a number of dwellings within the same area are considered suitable for demolition, the Council can declare a Clearance Area. This would then result in purchase and demolition of the dwellings by the Council, which then owns the land.