

Strategic Housing

Empty Homes Strategy 2021-2026



Derby City Council

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1. Foreword

Empty Homes are a wasted housing resource. They can attract blight to communities and even well-maintained empty homes place a strain upon addressing housing need across the city.

Derby City has a strong track record in helping willing owners and tackling problem properties. The Empty Homes Service takes a pro-active approach to establishing ownership of empty properties, finding out if owners need help and using a variety of enforcement tools where necessary. All of this is done to best meet the City's housing needs and offer good financial value to Derby's residents. As a Council we have committed to purchasing empty homes to add to our own stock for letting as affordable housing. This not only provides valuable accommodation for people in housing need, but also enables the thermal efficiency of each property to be significantly improved as it is refurbished thereby reducing carbon emissions.

Over the past 4 years we have brought over 350 empty homes into use, earned over £7m in new homes bonus and recovered over £270,000 of debt owed to the Council by empty home owners. The Council operates an award-winning service. This strategy aims to build upon our successes and demonstrate our commitment to making best use of housing stock within the city. Through the renovation and occupation of empty homes we can improve the existing stock, provide both market and affordable housing, address housing need and tackle nuisances and eyesores that blight communities.

2. Notes to the Revision

Derby City Council published its first Empty Property Strategy in 2003. This was refined in 2007 to take into account many changes to housing policy and practice that were being both researched and implemented at the time. The result of this process was the Empty Homes Strategy 2008 – 2011, a comprehensive document that established the groundwork for our achievements over that period. The subsequent 2012 - 2015 strategy expanded on areas of emerging best practice and partnership working and updated the links with corporate goals and priorities. National developments in empty homes policy were also addressed, including the introduction of the New Homes Bonus and the availability of grant funding.

While continuing to focus on national policy, funding opportunities and further developing best practice, the 2015 - 2020 strategy highlighted our role in securing additional affordable housing, for example through working with local Registered Providers and through the council acquiring empty properties for social housing. The strategy also focused upon reducing demand on other council services, the impact on general housing supply, New Homes Bonus income and debt recovery; all crucial in a time of housing need and reduced local authority budgets.

In 2019 the council was recognised by the Empty Homes Network for 'Meeting the Challenge' for work involving a particularly difficult and sensitive enforcement case and brought home the award for 'Empty Homes Practitioner of the Year'. In 2020 the council won an award for demonstrating the impact tackling empty homes can have on the local amenity, highlighted below.

This strategy, 2021-2026 will continue to help Derby City Council remain at the forefront of empty homes work, continue to purchase suitable empty properties for affordable housing and contribute to addressing climate change. The strategy also aims to improve the depth and breadth of both voluntary solutions available to owners and widen the use of enforcement tools employed.

3. Executive Summary

In Derby, there are currently around 2,300 registered empty homes, of which 1,100 have been empty for six months or more. It is usual that around 1% of the stock is empty at any one point, in order to facilitate house sales, moves and lets. These are transactional voids. The challenge is the 1,100 long-term empties that have been vacant for six months or more, as well as around 100 properties that are exempt from council tax. The number of empty homes has reduced significantly from the start of the last strategy and remained stable over the past four years even as stock numbers increase. Nationally, the number of empty homes has increased over the last three years. This is a testament to the Empty Homes Service, but the waste of good housing, criminal activity and urban blight remains.

There are also around 3000 people on the City Council's housing waiting list, demonstrating the wasted resource that empty homes represent. With rising homelessness and too few new homes being built, there is a strong need to tackle properties left empty.

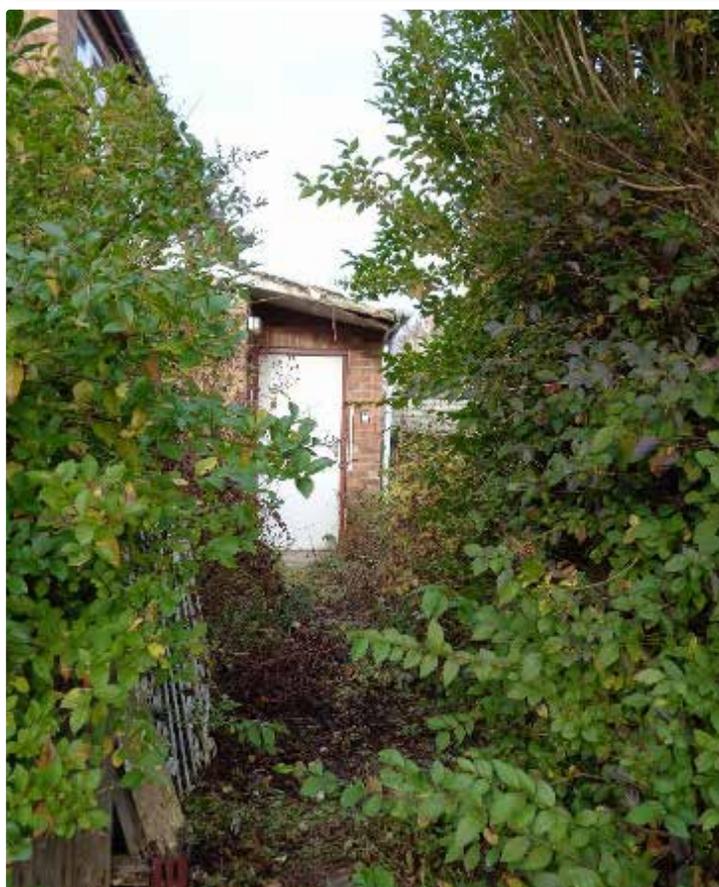
The New Homes Bonus (NHB) scheme, whilst undergoing review, nevertheless still rewards local authorities for a reduction in the number of empty homes and has reinforced the need to tackle empty properties. The potential of empty homes, both as good housing for the people of the City and as a source of income to the council has not been ignored.

Engagement with empty property owners and a voluntary solution is always preferred. Advice, assistance and incentives reduce demand on Council resources and the need for enforcement action. In the majority of cases this is sufficient, but there are occasions where owners cannot be traced or are unwilling to enter into a voluntary dialogue. In these circumstances, the use of enforcement action needs to be considered. Though used as a last resort, the Council has been very successful in the use of enforcement.

The Council has had success acquiring empty homes to let through its Arms-Length Management Organisation (ALMO) as affordable housing.

The Council has been acknowledged nationally for its proactive approach to empty homes, being cited by Homes England as an example of best practice. In addition, the Council's team manager was named 'National Empty Homes Practitioner of the year 2019' by the Empty Homes Network, the leading empty homes practitioner group. Derby also Chairs the Empty Homes Network, giving the Council a national presence in policy and best practice development.

This strategy provides the framework to tackle empty homes effectively within the city, ensuring that the Council retains its place at the forefront of empty homes best practice nationally and that the benefits are maximised for the people of the city.



4. Introduction and Background

By bringing empty homes back into use, the following can be achieved:

- The provision of good quality affordable and market housing
- The improvement of social, environmental and economic wellbeing
- The incorporation of thermal efficiency measures resulting in carbon reduction
- A contribution towards reducing homelessness
- A possible reduction in the need to build on Greenfield sites
- The improvement of the existing built environment
- The regeneration of properties and communities
- Meeting housing needs and demands across all tenures
- Support to other corporate priorities, objectives and strategies
- Maximising existing housing resources
- Attracting inward private investment
- A contribution to income generation for the council

According to the charity '(Homes From) Empty Homes', in 2019 there were 226,000 homes in England that had been left empty for six months or more. This is the third consecutive year in which the number has increased and the second consecutive year in which numbers have increased by over 10,000. There are also 85,000 families and 126,000 children living in temporary accommodation, costing the taxpayer over £1billion.

Against this background, the number of people without suitable housing, and housing demand in general, continues to increase while the number of new build completions falls short of projected demand.

Re-occupying empty homes is not the whole answer to the current situation, but government and local authorities cannot ignore their potential, both as units of accommodation and a source of income to the council in times of continued budgetary pressures. This is evidenced by incentives such as the New Homes Bonus scheme that provides a financial reward to local authorities for a reduction in the number of empty homes, and a financial penalty for any increase. 2020 however, is the last proposed year of the Government's New Homes Bonus scheme in its current form and consultation about its future is due.

For local communities however, there are other concerns with regards to empty homes. If it is allowed to deteriorate, even a single empty property can blight a whole street or community, reducing the values of surrounding properties, causing nuisance to local residents and contributing to urban decline. Empty homes can also attract vandalism, fly-tipping and other criminal activity, ranging from the minor to the extremely serious, but all increasing the fear of crime as well as having a detrimental impact on the local community.

5. The National Context

1. Strategies and Policies

Paragraph 51 of the National Planning Policy Framework, published in March 2012 highlights the expectation that Local Authorities will address the empty homes issue locally:

'Local planning authorities should identify and bring back into residential use empty housing and buildings in line with local housing and empty homes strategies and, where appropriate, acquire properties under compulsory purchase powers'

The 2018 and 2019 revisions of the National Planning Policy Framework maintain that local authorities should make best use of the built environment and use compulsory purchase powers to secure land and property to address housing need.

2. New Homes Bonus (NHB)

Since 2011, the 'empty homes' element of New Homes Bonus payable to Derby City Council totals in excess of £7million.

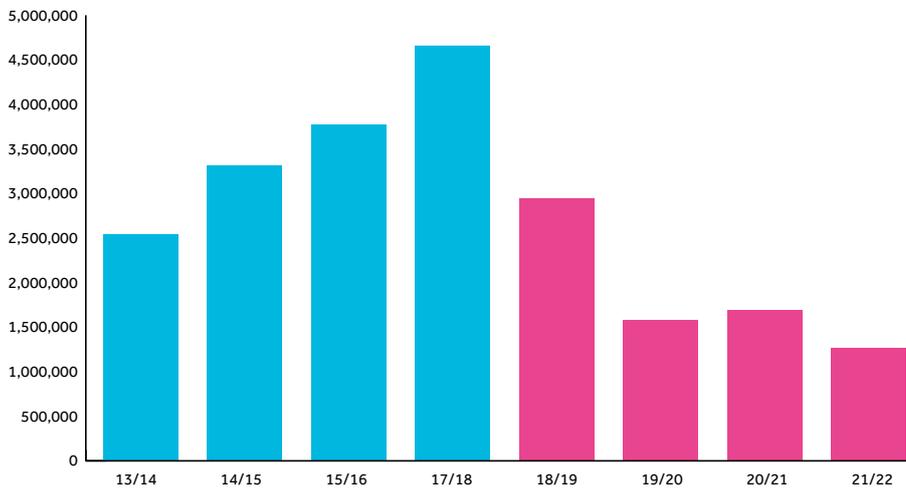
Launched in 2010, this policy recognised the fact that empty homes returned to use provide additional accommodation in the same way as new build properties and is an incentive to local authorities to implement effective empty homes strategies. An empty home returned to use was rewarded in the same way as a new home, via a payment of the equivalent council tax income to the local authority for six financial years following its return to use, although in 2018 this was reduced to four years.

In the same way as a reduction attracts a bonus, an increase in the number of empty homes attracts a penalty, reducing any NHB that may be payable on new build properties. It is therefore in the financial interests of the local authority to reduce the number of properties left empty each year. As above, the total awarded to Derby is in excess of £7M since 2011.

From 2014 onwards, NHB has been drawn solely from Formula Grant, which is a redistribution of existing funds rather than additional funding. If Derby City Council had not been proactive with regards to NHB, the double penalty of a lack of NHB payments as well as reduced Formula Grant would have applied.

From 2017, the NHB calculation assumed an annual 0.4% national baseline increase in dwelling stock. Only allocations for additional dwellings above this rate are made and the savings used for legacy payments; which are allocation made in previous years that are still due to be paid. With a total dwelling stock of 109,290 at April 2017, Derby City would no longer receive NHB payments for the first 417 new dwellings completed in the following year. This placed even greater emphasis on the empty homes element, as any increase in the number of long term empty homes would, in effect, increase the 'baseline'.

Legacy payments were also reduced from six to four years, further reducing income. The table below demonstrates the impact upon New Homes Bonus earned by Derby City Council before and after the 2017 changes.



The last guaranteed allocation of NHB will be received in 2020/21 and beyond that the future is not known. However, the financial implications should not overshadow other positive aspects of returning empty homes to use. Dealing with empty properties should not only be seen as a direct income generator; it mainly serves to address housing need, homelessness and other issues that blight communities.

3. Funding

For many years the focus of funding from central government has been upon new-build affordable housing. From 2012-2015 and 2015-2018 the Government's affordable housing programme included opportunities to bid for funding to bring empty homes into use. Derby City Council successfully bid for £200,000 from the 2012-2015 programme and £300,000 from the 2015-2018 programme to deliver a total of 27 empty homes returned to use as affordable housing. There are strict conditions placed upon the availability and use of funding which means that bids are limited in order to assure viability and deliverability.

The Affordable Homes Programme 2021-2026 permits bids to return empty homes to use. Purchase and repair is the preferred model but lease and repair is an option for leases of at least 5 years.

4. Council Tax

Since 2013 local authorities can apply an empty homes premium for properties that have been empty for two years or more. Initially this was set at 150% but in 2018 increased to 200%, so, in effect, owners pay double the standard liability. From 2020 owners of properties empty for five years or more can be charged 300% and from 2021, 400% can be levied for properties empty for ten years or more. Implementation is at the discretion of individual local authorities and the Council currently applies the relevant premiums.

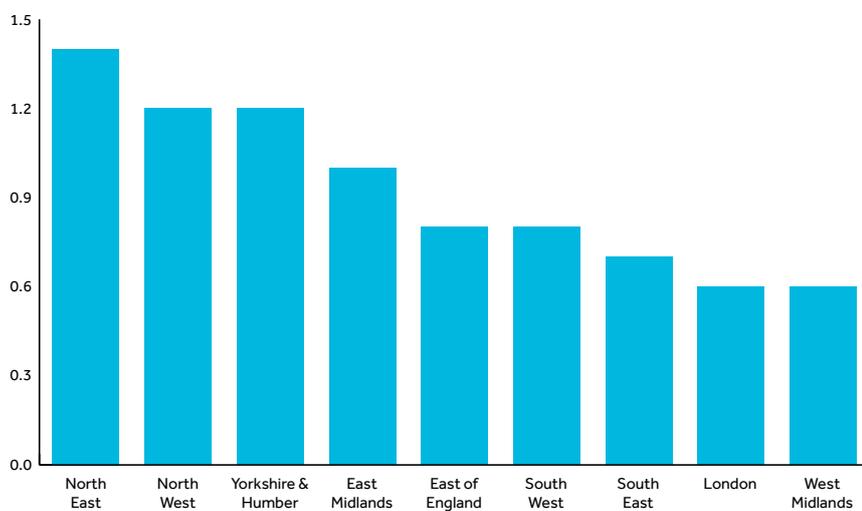
The premium is applied regardless of the length of ownership so a new purchaser may be charged the premium even though the previous owner has been the cause of the property being empty. The message to purchasers of empty properties is to find out what liability is being charged, consider how long it will take to bring the property into use and factor this into the purchase price offered.

5. Planning Policy

The National Planning Policy Framework 2019 maintains that planning policies should support the conversion of under-utilised buildings to residential accommodation and using compulsory purchase powers to secure such, where necessary. This expands the remit of empty homes work into tackling commercial sites. However, if converting an under-utilised building, developers can use this to offset contributions towards affordable housing. This is known as the vacant building credit.

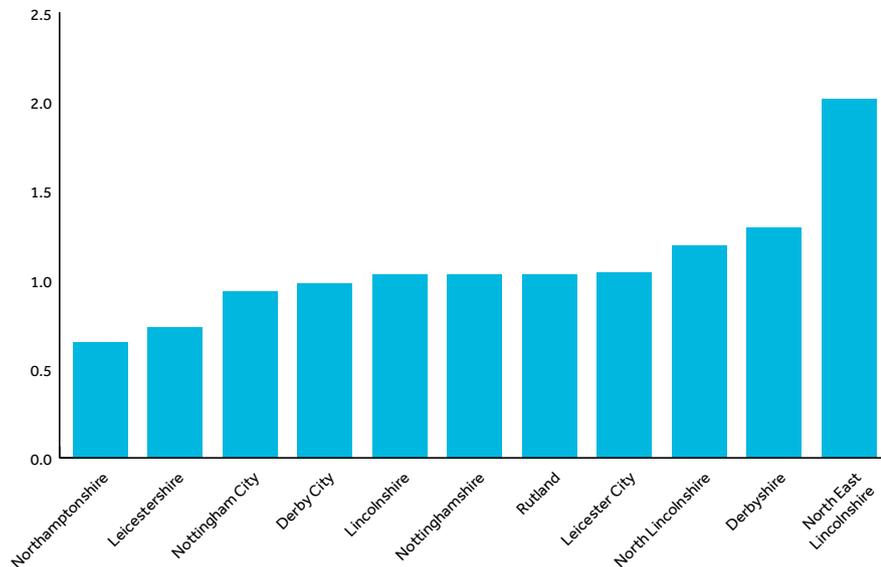
6. Distribution of Empty Homes

Much has been made in the press about the buy-to-leave phenomenon in the capital as a means of investment and the effects this has on the housing crisis. However, the percentage of empty properties compared to total housing stock demonstrates that northern regions have a higher proportion of long-term empty homes:



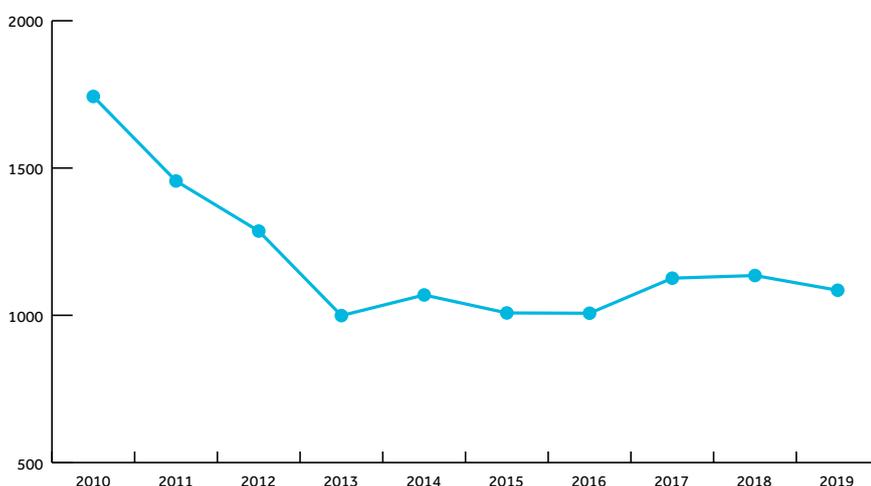
6. The Local Context

At October 2019, there are 1085 long-term empty properties in Derby City. The table below looks at this compared to the unitary authorities and counties of the East Midlands. The proportion of empty homes in Derby is slightly lower than for the regional average, occupied by Lincolnshire, Nottinghamshire and Rutland.



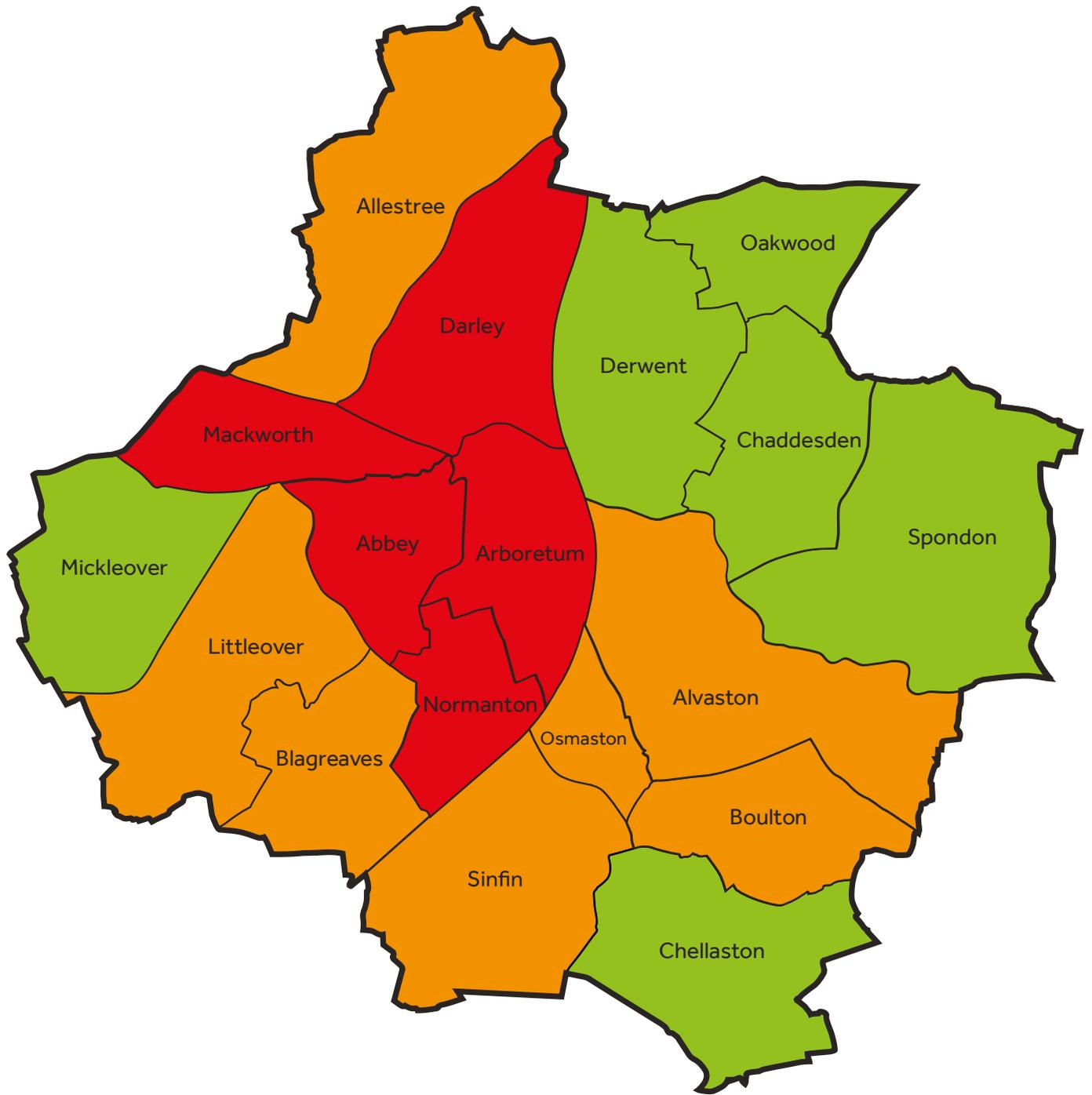
The number of properties empty for over two years has decreased from 450 when the previous strategy was drafted to 400 currently and the number of properties empty for over 10 years has almost halved to approximately 25. Many of those empty for 10 years or more are associated with business use and have no independent access. The remainder are in the process of being renovated, most usually following the Council bringing about a change in ownership via compulsory purchase powers. This demonstrates the Council's success of a targeted approach to tackling properties causing the most local concern.

The Council has been successful in bringing down the number of long-term empty properties within the city but there is still work to do. The table below shows how this number has reduced and then levelled over the last ten years. However, as the total housing stock increases annually it is testament to the work of the empty homes service that the number of empty properties has remained relatively stable in recent years, particularly in light of numbers increasing nationally. Furthermore, the proportion of the total housing stock that is long-term empty has reduced from 1.65% in 2010 to 0.98% in 2019.



An analysis of empty homes at Ward level demonstrates areas that have a higher or lower proportion of empty properties. These proportions are used to partly inform decisions about prioritisation for enforcement action. The table below highlights the proportion of long-term empty properties in each Ward. The following map provides a visual representation of areas with a high, medium and low proportion of empty homes.

| Ward | % Empty | Proportion |
|------------|---------|------------|
| Abbey | 2.18 | High |
| Arboretum | 2.01 | |
| Darley | 1.55 | |
| Mackworth | 1.50 | |
| Normanton | 1.50 | |
| Allestree | 1.33 | Medium |
| Littleover | 1.19 | |
| Alvaston | 1.06 | |
| Blagreaves | 1.01 | |
| Sinfin | 0.83 | |
| Boulton | 0.71 | |
| Mickleover | 0.66 | Low |
| Derwent | 0.61 | |
| Spondon | 0.59 | |
| Chellaston | 0.58 | |
| Chaddesden | 0.53 | |
| Oakwood | 0.34 | |



Key:

Red – Wards with 1.5% or more of housing stock long-term empty

Orange – Wards with 0.7% - 1.49% of housing stock long-term empty

Green – Wards with 0.69% or less of housing stock long-term empty

7. The Corporate Context

The Empty Homes Service links with a variety of council documents, strategies and plans, as outlined below.

Council Plan 2019-2023 and Derby Recovery Plan 2021/22

The Council has committed to reducing homelessness and the use of bed and breakfast accommodation and increasing the supply of affordable housing. The acquisition of empty homes for affordable rent, leasing of empty homes and work with landlords to offer private lets to homeless households supports these priorities.

Since publication of the Council Plan, Derby City among almost 90 others that have declared a Climate Emergency and committed to tackling climate change. The Empty Homes Strategy will consider how bringing empty homes into use can contribute to this agenda.

2020 also saw the unprecedented impact of Covid-19 across the country. The Council is committed to tackling the economic fallout of this and how to champion economic recovery. Acquiring empty properties for affordable housing will help with the recovery. There may well be future impacts upon the housing market. This strategy will also consider how it can contribute to social and economic recovery as this area of work develops.

Derby City Local Plan Part 1: Core Strategy 2017

The Core Strategy has a spatial objective to 'make the best use of previously developed land and vacant or under used buildings in urban or other sustainable locations, including bring empty homes back into use'. The core principles to deliver housing within the city also 'encourage the regeneration of brownfield sites and the re-use of under utilised or vacant properties for residential uses, including empty homes and the upper floors of commercial properties within centres'.

Bringing empty homes into use directly contributes to these key Council objectives.

The evidence base for the Local plan indicates that Derby city requires an additional 16,338 dwellings between 2011-2028 and the average number of affordable homes needed for each year of the plan is 750.

Housing Strategy 2020-2029

The Council's strategy recognises that making best use of existing stock contributes towards the supply of both market and affordable dwellings needed. Tackling empty homes is a major objective of the associated action plan. Council commitment has been demonstrated further by allocation of right to buy receipts for the acquisition of empty homes for affordable housing.

The strategy identifies that 1-bedroom, homes with 4 for more bedrooms and accommodation for elderly residents, such as bungalows, are of high priority in order to address housing need. In addition to voluntary acquisitions, this information will be incorporated into the enforcement prioritisation of empty homes so that any compulsory acquisitions will better support the Housing Strategy. In order to contribute to tackling climate change, empty properties purchased by the Council are brought up to EPC level C as a minimum.

Derby Homelessness and Rough Sleeping Strategy 2020-2025

The strategy identifies that homelessness applications have doubled from 1,024 to 2,321 since the introduction of the Homelessness Reduction Act 2017. Increasing the supply of affordable housing, private rented stock and specialist leased accommodation is needed in order to address this demand. The empty homes team works alongside Derby Homes, the YMCA and other partners in order to bring empty homes into use for this purpose.

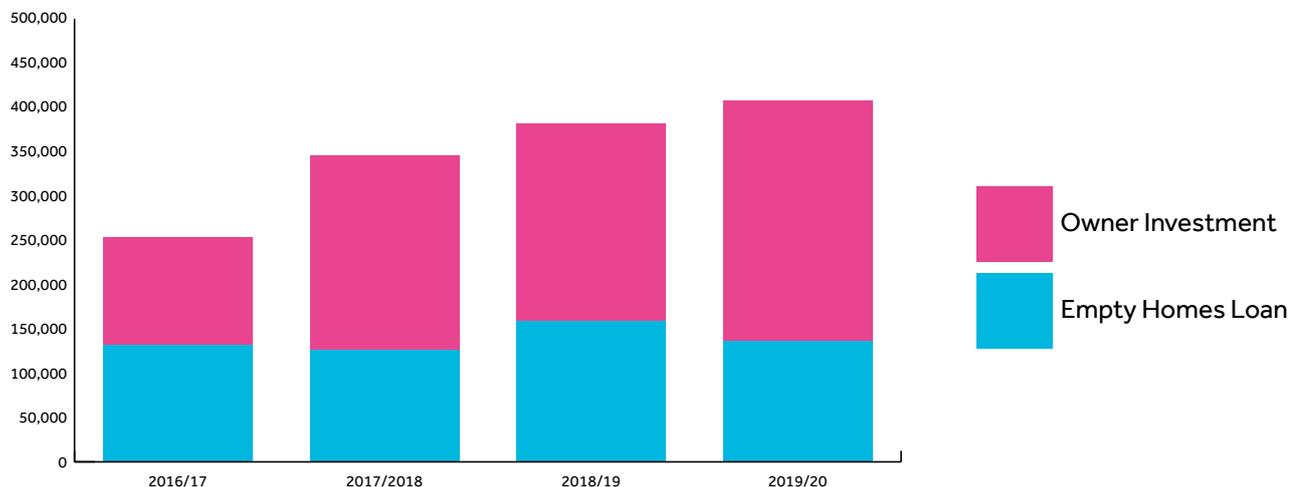
Private Sector Housing Renewal Policy 2020-2030

The policy recognises that the majority of houses within Derby are in the private sector and that bringing empty homes into use is not enough: they must be brought into use at a standard that does not present hazards to health of the occupants. The 2019 Stock Condition Report identified that 18,700 private sector homes do not meet the decent homes standard and so empty homes returned to use should be of a standard that does not increase this figure. About 5,000 homes fail this standard due to thermal comfort; a higher proportion being in the private rented sector. By helping landlords upgrade the thermal performance of empty properties the Empty Homes Strategy will contribute to improving both thermal comfort and climate change.

The re-use of Empty homes will also contribute to the City's economic recovery post covid.

The Council offers interest-free loans to help meet the cost of renovating long-term empty homes, subject to certain terms and conditions. These loans help to lever in private sector finance in order to make required improvements to the condition of housing stock available.

The table below demonstrates how much owner investment has been levered in to improve empty properties following receipt of an empty homes assistance loan from the Council during the past few years.



Joint Strategic Needs Assessment (JSNA) 2013 and on-going updates

The JSNA is a statutory requirement and assessment of the health and well-being of residents within the city. Empty homes work contributes to this by ensuring properties are renovated to a standard that remove or reduce hazards to health. The work of the team also helps to secure empty properties that can be renovated by the Council or its partners to accommodate vulnerable groups in appropriate housing.

Climate Change Strategy 2015

Derby's Climate Change Strategy aims to help reduce the number of hard to heat, fuel poor homes by providing help to install measures such as external wall insulation, efficient boilers and encouraging renewable energy sources. The work of the Empty homes team contributes to the Climate Change Strategy by ensuring that the thermal efficiency of empty properties is increased as they are brought back into use, thereby reducing the carbon produced heating cold homes.

8. Achievements 2016-2020

We have enjoyed much success over the past four years. Some of these achievements include:

- Almost 350 properties returned to use with our help.
- The number of properties empty for 10 years or more has reduced from 46 in 2014 to 25 in 2020.
- Total New Homes Bonus earned as a result of the reduction in the number of long-term empty properties surpassed £7m.
- More than £550,000 worth of Empty Homes Assistance loans approved to facilitate the renovation and reoccupation of long-term empty homes. The loans are fully repayable and recyclable. A further £800,000 of empty property owner investment brought in as a result.
- More than £270,000 of debt associated with empty homes has been recovered as a direct result of our sole intervention. This includes council tax arrears, work in default costs and outstanding residential care fees.
- Empty Homes, Compulsory Purchase and Enforcement Manager named 'National Empty Homes Practitioner of the Year 2018' by the Empty Homes Network - the country's foremost empty homes practitioner group.
- Empty Homes, Compulsory Purchase and Enforcement Manager also winning an award for rising to the challenge of dealing sensitively with complex enforcement cases. Again awarded by the Empty Homes Network 2018.
- Winning an award at the Empty Homes Conference 2019 for demonstrating the visual impact tackling empty homes can have.
- Empty Homes, Compulsory Purchase and Enforcement Manager elected Chair of the Empty Homes Network in 2020.
- Described by the country's most prominent Compulsory Purchase (CPO) legal practitioner as 'the market leader in empty property CPO work' returning over 70 properties to use by commencing the use of CPO powers.
- Committing Right to Buy receipts to purchasing empty property for affordable housing and acquiring 6 homes in the first year.



9. Achieving strategic objectives 2021-2026

Development and implementation of previous Empty Homes Strategies as well as strong councillor and officer support have provided the basis for the current status of the Service as highlighted in section 8 above.

Best practice developed in Derby has been recognised by organisations such as the Empty Homes Network and the charity (Homes From) Empty Homes and Homes England but there is still more than can be done.

The achievements of the Service over the life of the previous strategy highlight that Derby remains at the forefront of empty homes activities nationally. To continue and build upon this success, four strategic objectives have been identified, with the overarching aim to increase the supply of housing of all tenures:

1. Increase the number of empty homes brought back into use
2. Increase the number of empty homes that are used for affordable housing
3. Ensure the thermal efficiency is improved in empty homes brought back into use
4. To maximise income opportunities including debt recovery and funding opportunities that arise

Raising Awareness

Empty homes have been high on the political agenda for some while now and in a time of high housing demand, the issue is even more emotive. Derby City Council has featured in several well received empty homes related reports, including several articles in the local newspaper.

Representatives of Derby's Empty Homes Team have also spoken at regional and national events which aim raise the profile of the empty homes issue and to publicise the best practice and successes that have been achieved in Derby.

Having a presence on the Empty Homes Network steering group keeps Derby City at the forefront of empty home intelligence and national policy development.

The Empty Homes Team engages with other corporate services, particularly relating to housing, environment and finance in order to keep the profile high and facilitate greater consistency and clarity of message through effective joint working.

Empty Property Database

The Service has a database of confirmed empty homes, which is audited annually through the new home bonus process. Previously the team automatically added and actioned all properties that had been empty for more than two years but this has been brought down to six months so that help can be offered earlier.

Additional categories of property that are given Council Tax exemptions have also started to be added to the database in order to offer help at an earlier stage or to try to tackle the barriers that are hindering progress. For example, where owners are in residential care and building up care fees, help can be offered to bring property up to standard and let in order to provide an income which may or

may not be used to reduce the care fee balance. Also, where probate has not been applied for within 12 months, the team makes contact to discuss barriers with the estate of the deceased.

The system facilitates the monitoring of progress made to bringing individual homes into use, records all actions and helps to prioritise property for statutory enforcement action where voluntary approaches are failing.

Council Tax Database

Twice a month the Empty Homes Team receives an update of which properties are recorded as empty on the Council Tax database as owners of property have a legal duty to report any change in circumstance that would affect Council Tax liability. The reported occupation of empty homes is cross referenced with Council Tax information and cases are not closed on the empty homes database until they are recorded as occupied on the Council Tax database. This is considered the most accurate information about property occupancy.

The Empty Homes Premium has anecdotally encouraged owners to report property as occupied when it remains unoccupied. In order to prevent this kind of tax fraud, the Council Tax section frequently requires additional verification that property has become occupied and the Empty Homes team offers support when requested.

Website Presence and Referral Forms

The Empty Homes pages of the main Derby City Council website provide an overview of our activities and give the public the opportunity to report an empty home. This can be submitted anonymously. The public are encouraged to report homes as some owners fail to inform the Council.

A Standardised Process that Considers Individuals

The empty homes service aims to be a pro-active service that tries to help owners achieve their plans to bring a property into use or where no help is required, to periodically monitor and encourage progress. It is the expectation that owners engage, if only to provide a brief update and confirm there are no unresolved barriers to bringing a property into use.

The team follows a process to make contact, visit the property and encourage an on-site appointment in order to establish an owner's plans and whether help is needed. Once information about an owner's circumstances is known, then officers can incorporate this into future contact and monitoring and can tailor advice and assistance to the individual owner.

Where owners fail to engage or demonstrate an unwillingness or inability to bring a property into use then the property will be considered for a type of enforcement action that puts the property into another's hands. Derby City Council has a strong record for pursuing compulsory purchase orders in these circumstances.

Properties will be prioritised for such enforcement action based upon a number of strategic factors. These are:

- Proportion of empty properties in the Ward
- Property type and number of bedrooms

- Length of time empty
- Condition and appearance
- Nuisance caused or community interest
- Visual prominence
- Debts owed to the local authority by the owner

The matrix used that considers these factors helps to maintain strategic objectivity when carrying out such enforcement and has been supported by the Local Government Ombudsman. Throughout enforcement action the team will balance the circumstances of the owner against the public interest. The Private Sector Housing Enforcement and Prosecution policy guides the empty homes enforcement process to ensure action is proportionate and will stand up to legal challenge.

There will however be instances where a property is causing a local environmental issue and immediate notices are required to address the problem.

Ways the Empty Homes Team can Help Owners

General Advice and Assistance

The team can offer the following:

- advice about accessing services
- help owners to become good landlords
- advice about property standards
- help owners find tenants
- help owners find agents that offer reduced fees
- help owners ensure their agent is working for them
- liaise with third parties
- help owners find contractors
- help owners consider their options

Whatever problems owners are facing the team will consider how they can help; sometimes it is enough to just listen and encourage.

Empty Homes Assistance Loans

The Council offers interest free loans to empty property owners that are renovating a property to let as a main home, so no students or short-term business or holiday lets, or for owner occupation. The Council does not offer a loan for a property that is to be sold following renovation.

The maximum loan currently offered is £20,000, depending upon the work required and equity in the property. All loans are fully repaid and the budget recycled. The addition of a charge on the property in favour of Derby City Council at HM Land Registry, plus the various checks and balances in the loan approval and administration process as well as non-payment clauses, serve to protect the financial

interests of the Council. The terms and conditions are managed by the Housing Renewal Policy and the Housing Renewal Review Group makes relevant delegated decisions under that policy.

The scheme reflects best practice and provides excellent value for money, results in the return to use of previously empty homes, levers private investment into the City and supports local companies and tradesmen. Providing this upfront capital also makes some non-viable projects more financially inviting and can provide an alternative to potentially more expensive and time-consuming enforcement action.

In order to tackle climate change the strategy will look at helping owners access sources of funding aimed at improving the thermal efficiency of dwellings brought into use.

The Council is committed to tackling the economic downturn anticipated by Covid-19. Empty Homes Assistance Loans can provide financial support to help owners affected by the pandemic continue to renovate empty properties.

Property Acquisition

The Council uses right to buy receipts to purchase empty properties directly from owners, demonstrating Derby's commitment to providing affordable housing and tackling empty homes. The Team also works with Derby Homes and other registered housing providers to help acquire empty homes for affordable or specialist accommodation. The main benefits to owners are that the Council only makes an offer if there is guaranteed finance, the Council is not in a chain, sellers save paying agent's fees and we can act on this quickly.

In order to tackle climate change, properties purchased by the Council will be renovated to EPC level C, as a minimum.

Owners struggling with the financial impact of Covid-19 can offer property to the Council to purchase. Suitable property will be purchased at market value and the owner will not have to pay commission.

Tenant Finder Service

There is not enough publicly owned housing to address housing need and homelessness so the Council works with Derby Homes to find tenants for landlords with empty properties to let. Derby Homes offers support to the landlord throughout this process and can consider further assistance such as a bond guarantee and rent in advance.

Private Sector Leasing

The Empty Homes Team works with the YMCA in Derby to find properties to lease. The YMCA will help landlords ensure their properties are up to the required standard and will offer a guaranteed rental income throughout the duration of the lease. The YMCA will take on the property and tenancy management responsibilities, which is a great option for those who want the financial investment that additional property offers but do not want day to day involvement. The YMCA also has a viable financial model for property secured through Empty Dwelling Management Orders. Derby Homes is the Council's partner for EDMOs but increasing the number of partners will widen the opportunities to take suitable EDMOs forward.

Council Tax

From April 2020 the Empty Homes Premium has increased for properties empty for five years or more. Effectively, the overall charge is 300% of the standard liability. From April 2021, councils are able to charge 400% for properties that have been empty for ten years or more. Owners are advised to be realistic about the time a renovation will take and factor the increased council tax liability into any offer of purchase made, as the liability continues even with a change in ownership. The Empty Homes Team can advise potential purchasers whether a property is subject to the Empty Homes premium so that overall costs can be considered prior to making an offer.

Preventing Empty Properties

More support will be given to prevent properties becoming empty. The Council can support landlords to find tenants or can help owners consider leasing, should they wish to retain the capital asset of a property but no longer want the responsibility of tenancy management. Where landlords want to leave the sector or are revising their portfolios, the Council can also consider purchasing property directly from owners.

Enforcement Options

Compulsory Purchase Orders (CPO)

The City Council has been making use of compulsory purchase powers for some years now. The compulsory purchases have been successful, and the outcomes have proven popular with the general public - not least because in addition to enhancing housing availability, the anti-social and criminal activities which empty buildings can so often attract are also addressed as a consequence of the enforcement.

CPO plays a pivotal role in the Empty Homes Strategy, providing the final sanction to ultimately facilitate the renovation and reoccupation of the most problematic empty homes in the City. The use of CPO powers and its associated publicity demonstrates how seriously the Council takes the issue, encouraging the success of the voluntary approaches outlined above. CPO provides the 'teeth' to the empty homes process and strengthens every aspect of our work.

CPOs can be made under S17 of the Housing Act 1985 or under S226 (as amended by Planning and Compulsory Purchase Act 2004) of the Town & Country Planning Act 1990, for the provision of housing accommodation or to make a quantitative or qualitative improvement to existing housing.

Where the Empty Homes Team has been negotiating or monitoring a property's voluntary solution with the same owner for five years or more, that property will automatically be considered for compulsory purchase. Owners often ask how long they have before enforcement will be considered and the five year limit should focus attention and deter owners from leaving property empty. Five years is considered a long enough period for an owner with additional needs to access support and implement a plan to ensure the property is brought up to standard and occupied or otherwise sold.

Empty Dwelling Management Orders (EDMO)

Available since 2006, an EDMO can be made where a property has been empty for two years or more and is a nuisance to the locality. The Council can take over management of the property for up to seven years, carrying out work required before letting. The Council can appoint a partner to do this on their behalf and, as the EDMO is based upon a leasing model, organisations with a track history in leasing could be of assistance.

EDMOs are not a popular tool nationally, as they are administratively burdensome when compared to other options. There is also the difficulty in recovering the costs of renovation within the seven year period allowed by the order. Nonetheless, there will be property where EDMOs are viable and sourcing partners with an expertise in leasing property are key to delivery. Although the property will eventually return into the same ownership as that which left it vacant and neglected in the first instance an EDMO may present an opportunity to educate owners about the benefits of ensuring homes remain occupied.

Enforced Sale

The Law & Property Act 1925 allows local authorities to recover debts owed to them where they have been registered as charges on the property. Where owners fail to pay debts relating to work in default carried out in respect of the Prevention of Damage by Pests Act 1949, Housing Act 2004 and Building Act 1980, the Council can be granted the power to sell by service of relevant notices and verification by the Land Registry. In these instances the debt takes priority charge, even over an existing mortgage.

For Council Tax debts the Council must go to court first and apply for a charging order. Where the owner of a property has passed away owing the Council residential care fees, the Council can enforce sale, as mortgagee in possession, if the deceased's personal representatives fail to deal with the estate.

Additional Statutory Powers

Where an empty property is causing a specific problem to a neighbourhood or is dangerous or ruinous for example, we have a range of enforcement powers that can be used. The timing and extent of the action taken will be dependent upon the individual circumstances encountered at the property.

Maximising Income

There have been three main sources of income generation; New Homes Bonus, debt recovery and funding opportunities.

New Homes Bonus has been a significant source of income earned for the Council by the work of the Empty Homes and Council Tax teams. However, current government indications are that there are no plans for this to continue beyond the 2020 allocation. Should this change, the Council is well equipped to recommence its best practice processes again.

The Empty Homes Team helps recover outstanding council tax arrears, work in default debts and residential care fees. One benefit of enforcing sale of properties, where certain work in default debts are outstanding, is that all staff and administrative costs can be recovered. The expertise in the team can be explored and expanded to help other teams recover outstanding debts.

Since the 2012 and 2015 Empty Homes Programmes, there has been no central government funding aimed at tackling empty homes and current regional programmes are aimed at new build affordable housing or helping first time buyers purchase property. The Empty Homes Team will, however, apply for any relevant empty homes funding should it be made available. This may include partnership working with other registered housing providers. The Council, however, is committed to using Right to Buy receipts to purchase suitable empty homes for affordable housing.

10. Monitoring Performance and Achieving Outcomes

The performance framework for this strategy is based upon guidance by the Empty Homes Network, which aims to bring about national consistency in the reporting of empty homes successes. The definition for this strategy is:

‘For each financial year, the number of non-local authority owned vacant dwellings returned to occupation or demolished as a result of action or initiation by the local authority’.

Where a vacant dwelling is converted to a number of flats or houses, the additional number of units may also be counted. Where a non-residential vacant building is brought into use or converted into a number of dwellings, the total number occupied may be counted.

Action of the local authority can range from simple voluntary dialogue or a number of pieces of communication with the owner through to protracted enforcement proceedings but will not include properties simply found to be occupied. Properties also found occupied during New Homes Bonus visits will not be recorded within this framework. The table below shows the Empty Homes targets for the lifetime of the strategy, based upon current resources.

| | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
|--------------|---------|---------|---------|---------|---------|
| Total Target | 80 | 85 | 85 | 90 | 90 |
| CPO Target | 10 | 11 | 11 | 12 | 12 |

We can give you this information in any other way, style or language that will help you access it. Please contact us on **01332 640323** or **derby.gov.uk/signing-service**

Punjabi

ਇਹ ਜਾਣਕਾਰੀ ਅਸੀਂ ਤੁਹਾਨੂੰ ਕਿਸੇ ਵੀ ਹੋਰ ਤਰੀਕੇ ਨਾਲ, ਕਿਸੇ ਵੀ ਹੋਰ ਰੂਪ ਜਾਂ ਬੋਲੀ ਵਿੱਚ ਦੇ ਸਕਦੇ ਹਾਂ, ਜਿਹੜੀ ਇਸ ਤੱਕ ਪਹੁੰਚ ਕਰਨ ਵਿੱਚ ਤੁਹਾਡੀ ਸਹਾਇਤਾ ਕਰ ਸਕਦੀ ਹੋਵੇ। ਕਿਰਪਾ ਕਰਕੇ ਸਾਡੇ ਨਾਲ ਇੱਥੇ ਸੰਪਰਕ ਕਰੋ: **01332 640323** ਜਾਂ **derby.gov.uk/signing-service**

Polish

Aby ułatwić Państwu dostęp do tych informacji, możemy je Państwu przekazać w innym formacie, stylu lub języku. Prosimy o kontakt: **01332 640323** lub **derby.gov.uk/signing-service**

Slovak

Túto informáciu vám môžeme poskytnúť iným spôsobom, štýlom alebo v inom jazyku, ktorý vám pomôže k jej sprístupneniu. Prosím, kontaktujte nás na tel. č.: **01332 640323** alebo na stránke **derby.gov.uk/signing-service**

Urdu

یہ معلومات ہم آپ کو کسی دیگر ایسے طریقے، انداز اور زبان میں مہیا کر سکتے ہیں جو اس تک رسائی میں آپ کی مدد کرے۔ براہ کرم **01332 640323** یا **derby.gov.uk/signing-service** پر ہم سے رابطہ کریں

