

# Draft Empty Homes Strategy



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# 1. Introduction

## 1.1 Overview of the Empty Homes Strategy

- 1.1.1 The South Kesteven District Council Empty Homes Strategy 2024 has been developed to guide our response to Empty Homes within the district. Across England, the quantity of long-term empty homes rose by nearly 10% between 2018 and 2023.<sup>1</sup> Within South Kesteven, 661 homes have been empty for over 6 months as of 31<sup>st</sup> March 2024.
- 1.1.2 Long term empty homes can be a cause of concern for neighbours, lead to an increase in antisocial behaviour, have negative visual impacts on a neighbourhood, and deplete the amount of housing available.
- 1.1.3 South Kesteven District Council is dedicated to tackling Empty Homes and associated concerns, and this strategy sets out the framework for our response. It supports the Councils mission, set out in the Corporate Plan for 2024- 2027, to ensure that 'all residents can access housing which is safe, good quality, sustainable and suitable for their needs and future generations.'
- 1.1.4 By following this strategy we will work with owners of Empty Homes to encourage them to bring their properties back into use. We will also strengthen our understanding of Empty Homes across South Kesteven, allowing us to monitor developing situations and work alongside owners to resolve concerns.

## 1.2 What is an Empty Home?

- 1.2.1 There are broadly two main types of empty residential properties: transactional empty properties and long-term empty properties. Transactional empty properties are generally empty for up to six months, usually due to a change in tenant or ownership, and are part of the normal cycle of people moving house; though they may be empty for longer should they be subject to major renovation works. Although transactional empty properties are empty for a shorter period of time, and therefore discussed less frequently within this policy, they can still present a concern should their condition become a hazard or contribute towards a poor street scene, and South Kesteven District Council will take appropriate action in these instances.
- 1.2.2 In some instances, a property may be empty or appear empty, but is not classed as empty. A property does not have to be used all the time to be classed as occupied. For example, if it is:
  - a second home or a holiday home;
  - a property which is part of a wider regeneration programme and could be in the process of being developed or marked for demolition;
  - a property which has pending planning permission, could be waiting refurbishment or could be waiting for new occupants to move in;
  - a property where the owner is living elsewhere to provide or receive personal care.

1.2.3 Homes that have been recorded as empty for two or more years are classified as long-term empty by South Kesteven District Council.

### **1.3 Why do Homes Become Empty?**

1.3.1 Most empty homes are privately owned. There are many reasons for homes being left empty, some of which are more complex, with owners having their own individual reasons for keeping their home empty. Some of the most common reasons for homes becoming and remaining empty include:

- issues with inheritance and/or delays with probate;
- lack of finance to carry out necessary repairs and/or refurbishment;
- perceived problems associated with letting of properties;
- owner unwilling to bring the home back into use;
- individuals requiring residential care or long term hospitalisation.

## **2. Why Have an Empty Homes Strategy?**

### **2.1 Overview**

2.1.1 Properties that have been empty for more than six months usually have an underlying cause. When properties have been empty for more than two years, it is likely that they will stay empty and decline without intervention. Long term empty homes can become a hub for crime and attract vandalism and anti-social behaviour. The property can deteriorate, both physically and visually, and have an impact on the surrounding properties and neighbourhood. Neighbouring owners may be concerned about the impacts on the value and desirability of their property.

### **2.2 National Context**

2.2.1 In 2023, across the UK, the number of long term empty homes were at their highest level since 2011 (excluding 2020, which was impacted by the Coronavirus pandemic)<sup>2</sup>, having increased by nearly 10 percent in the last five years<sup>3</sup>. In 2023, 261,189 homes nationally had been empty for over 6 months, representing a rise of approximately 5% since 2022<sup>4</sup>.

2.2.2 Just over 1% of the county's housing stock is defined as long term empty<sup>5</sup>. Simultaneously, in November 2023 there were over one million people on council house waiting lists and 104,000 households living in temporary accommodation<sup>6</sup>.

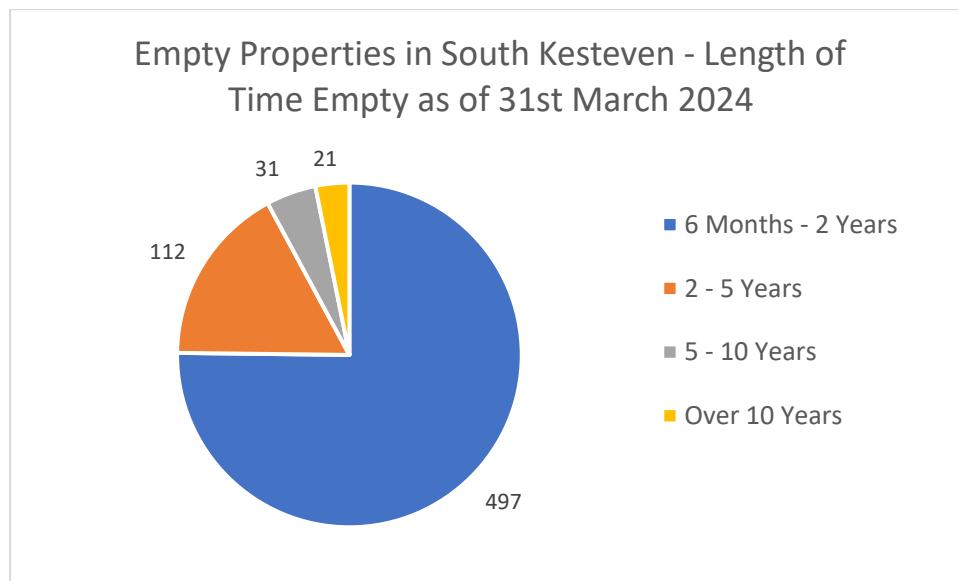
2.2.3 As a result, Empty Homes continue to be on the national political agenda. The National Planning Policy Framework 2023<sup>7</sup> states that planning policies and decisions should promote and support the development of under-utilised land and buildings, especially if this would help meet identified needs for housing where land supply is constrained, and available sites could be used more effectively. As part of this approach, plans and decisions should support efforts to identify and bring back into

use long term empty homes and other buildings, supported by using compulsory purchase powers where appropriate.

- 2.2.4 A range of policy documents and government guidance have reiterated this as an important issue, including the Levelling Up White Paper<sup>8</sup>, which highlights the Government's desire to 'encourage empty homes back into use.'
- 2.2.5 Following reforms in 2013, Councils have been able to implement an Empty Homes Premium, increasing the rate of Council Tax owed where properties have been vacant for over 2 years. This policy aims to encourage property owners to bring empty homes back into use.

### 2.3 Local Picture

- 2.3.1 As of the 31<sup>st</sup> March 2024, there were 661 homes within South Kesteven that had been empty for over six months. This equates to approximately 0.99% of the total housing stock across the district. Of these properties, 497 had been empty for between six months and two years, and 164 had been empty for two years or more.



- 2.3.2 This means that the rate of Empty Homes within South Kesteven is broadly in line with the national rate, with approximately 0.99% of homes within South Kesteven empty for over 6 months in March 2024, compared to 1.02% nationally in 2022.

### 2.4 Local Policy Context

- 2.4.1 The South Kesteven District Council Corporate Plan sets out the Council's ambitions for the District for 2024-2027<sup>9</sup>. Priority four explains the Council's mission to 'ensure that all residents can access housing which is safe, good quality, sustainable and suitable for their needs and future generations.' The Empty Homes Strategy plays an important role in achieving this mission by targeting the reinstatement of properties, adding to the housing supply, and aiming to contribute to the outcomes of 'housing delivery [that] matches the needs of communities.'

2.4.2 This Empty Homes Strategy complements the South Kesteven Housing Strategy 2020-2024<sup>10</sup>. At the heart of the Housing Strategy is “the belief that homes are a fundamental part of our lives. Houses should be 'healthy', good quality, sustainable and secure, providing the environment for people to thrive and achieve.” The Empty Homes Strategy aims to address one of the challenges identified in the Housing Strategy: “As well as building more homes, it is important that we maximise the use of existing homes by working with landlords to bring empty homes back into use”.

2.4.3 Relevant Corporate Enforcement Policies allow for the use of Enforced Sale, the use of Empty Dwellings Management Orders (EDMOs) and Compulsory Purchase Orders (CPOs).

## 2.5 What are the Problems with Empty Homes?

### *Housing Supply*

2.5.1 Empty Homes detract from the local housing supply, meaning less homes are available for those that need them. There is an additional risk that increased demand for fewer homes will lead to increasing prices within the housing market.

### *Visual Impacts*

2.5.2 Empty Homes may be more likely to be unmaintained, leading to overgrown gardens, broken windows and general disrepair, and having a negative impact on the appearance of an area.

### *Anti-Social Behaviour*

2.5.3 Long term Empty Homes can sometimes become a location for anti-social behaviour. This can have impacts on the local community, including disturbance and fear. Additionally, both Council and Police resources may be required to tackle these issues.

### *Property Values and Desirability*

2.5.4 Empty Homes, and associated visual impacts or antisocial behaviour, may cause concern for neighbouring residents about impacts on property values or the desirability of an area.

### *Potential Loss of Revenue*

2.5.5 In areas where there is a large number of empty homes there may be a decrease in local spending and demand for resources.

## 2.6 What are the Benefits of Bringing Empty Homes back into use?

2.6.1 Bringing long term empty properties back into use could have a number of positive impacts on both the community and local economy.

### *Financial Benefits for Home Owners*

2.6.2 For owners of empty homes, premium Council Tax bills are incurred when properties are vacant for an extended period of time. Payments can reach up to 100% plus 300%

of the standard Council Tax charge for properties that have been empty for over ten years. Further details can be found in section four of the strategy. Bringing these properties back into use will reduce this Council Tax burden for home owners.

2.6.3 Additionally, usage as a rental property, or selling the property to another owner, could generate additional income.

#### *Reducing the Likelihood of Anti-Social Behaviour Incidents and Unsightly Properties*

2.6.4 As previously mentioned, properties that are empty for an extended period of time may be susceptible to incidents of antisocial behaviour, vandalism, fly tipping, and can fall into a state of disrepair. By bringing properties back into use these impacts can be mitigated, having a positive impact on the surrounding properties and community, whilst also reducing the burden on SKDC and partner agencies in tackling these activities.

#### *Increasing Available Housing Supply*

2.6.5 Despite a growing supply of new homes in recent years, housing supply remains lower than estimated need, and therefore the rejuvenation of existing properties that are empty across the district will support SKDCs targets to increase property supply in the district. There may also be an increase in the range of housing types to meet these needs.

#### *New Homes Bonus*

2.6.6 The New Homes Bonus is a grant paid by central government to local authorities for increasing the net level of housing. This bonus is for every additional home and paid each year for six years. The bonus is based on the amount of extra Council Tax revenue raised for new build homes, conversions and long term empty homes brought back into use. There is an additional payment for providing affordable homes.

#### *Environmental Benefits*

2.6.7 Using existing housing stock rather than constructing new properties will often have a lesser environmental impact as there are generally lower carbon costs associated.

### **3. Priorities**

South Kesteven District Council has established four priorities relating to Empty Homes. The order in which the priorities are presented does not reflect the value that the Council will place on the activities described.

Priority 1: The Council will identify and work with owners of long term empty properties to bring them back into use for re-occupation

Priority 2: Develop effective partnerships with key stakeholders to bring empty properties back into use.

Priority 3: Improve our neighbourhoods by addressing long term empty homes that have become the focus of anti-social behaviour and neglect.

Priority 4: Provide advice and information to help raise awareness around empty homes.

- 3.1.1 To make the best use of limited resources, the Council will prioritise homes that have been empty for two years or longer, as these homes are generally considered to have the greatest impact on the community. However, the Council may also prioritise properties vacant for a shorter period if there are relevant concerns about the property, or in attempts to mitigate impact and prevent escalation.
- 3.1.1 Homes become vacant as part of the natural cycle of the housing market, whether for sale or between lettings. The Empty Homes Strategy is intended to demonstrate the Council's commitment to tackling long term empty homes.

## 4. Delivery

### 4.1 Tools and Powers

- 4.1.1 There are several tools and powers available to the Council to assist with bringing empty homes back into use. These range from guidance and support through to enforcement and enforced recovery of debts. In most cases support and guidance is the preferred approach. Enforcement will usually be reserved for when this approach fails to achieve the desired outcome, however in some circumstances enforcement may be used in the first instance. This could include but is not limited to circumstances where the empty home is open to access, or it is perceived that support and guidance will have little to no impact on the desired outcome.
- 4.1.2 The Council applies a Council Tax discount or premium to empty homes. The discount or premium amount depends upon the length of time the house has been empty for. It is hoped that this will deter owners of empty homes from allowing them to become long-term empties (LTE). The table below details the current premium.

EMPTY 100% DISCOUNT	EMPTY 25% DISCOUNT	EMPTY 0% DISCOUNT	LTE +50% premium	LTE+100% Premium	LTE+200% Premium	LTE+300% premium
1 month from date property first becomes empty	2 to 5 months	6+ months	Up to 2 years	Over 2 years	Over 5 years	Over 10 years

### 4.2 Advice and Guidance

- 4.2.1 In the first instance, empty home owners will be given advice and assistance on how to bring their property back into use. These options could be renting out the property, selling the property, or advice on becoming a landlord. The aim is to encourage owners to bring the property back into use through voluntary action. This action will

commence from six months empty, but the length of time it takes to bring a home back into use will depend on the owner's personal and financial circumstances.

#### *Financial assistance*

- 4.2.2 VAT reductions and support from estate agents may be available when renovating an empty home. The Council will continue to explore other opportunities for funding that may be used to assist with returning empty homes back into use.

#### *Voluntary Arrangements*

- 4.2.3 The Council, in this instance, will not be acting as an estate agent or providing advice or recommendation to either party. Any negotiation and sales processes would take place between the owners, interested party and their legal representatives.
- 4.2.4 The Council may offer a voluntary lease and repair agreement to owners prior or offer a voluntary acquisition of the property in a staged approach to enforcement.

### **4.3 Legislation**

- 4.3.1 Where empty home owners show reluctance to engage with the Council and continue to ignore their responsibilities in respect of the property, the Council will use relevant enforcement powers to reduce the impact the property is having on the area and neighbouring properties.
- 4.3.2 The Council will use a variety of legal powers to help bring empty homes back into use and resolve the impacts that they may have on our neighbourhoods. The following is not an exhaustive list of legislation but is an example of some of the legislative tools available. It must be noted that these are not always appropriate in all cases. A full list of relevant legislation can be found in Appendix 1.

#### *Enforced Sale*

- 4.3.3 Enforced Sales are a process to recover a debt owed to the Council, such as unpaid Council Tax or charges relating to previous enforcement action.

#### *Compulsory Purchase Orders (CPO)*

- 4.3.4 This power allows the Council to purchase a property from the owners and, depending on the specific power used, either retain it as housing stock, dispose of it to a housing partner, or sell it on the open market before or after renovation.
- 4.3.5 The initial decision to progress with a compulsory purchase arises out of exhausting all other voluntary and statutory powers and efforts continue to seek a voluntary solution throughout the process.

#### *Empty Dwelling Management Orders (EDMO)*

- 4.3.6 The Council has the power to take possession of an empty home but without taking ownership of it. The empty home owner retains the ownership and the Council in effect has the ability to undertake all the activities of an owner.

#### 4.4 Prioritising Empty Homes

- 4.4.1 The Council will primarily focus its efforts on the long-term problematic empty homes, but may take action on any other empty home at its discretion. The initial focus will be on empty homes that have been vacant for 2 or more years.
- 4.4.2 The Empty Homes will be rated in priority by utilising a RAG rating tool. After completing the RAG rating the highest scoring will be the empty homes that will be focused on.

### 5. Performance and Evaluation

- 5.1.1 Performance will be reported through the Housing Overview and Scrutiny Committee.
- 5.1.2 There will be an annual report on the impact of empty homes and the successful interventions. The report will include:
  - a) The changes in the number of empty homes year on year
  - b) The number of complaints received in respect of empty homes
  - c) The number of homes brought back to use through council involvement
  - d) The amount of New Homes Bonus achieved through empty homes
  - e) Examples and case reviews

### 6.0 References

Reference	Source
1, 3, 6	<a href="#">Empty homes in England rise by nearly 10 per cent in five years   Local Government Association</a>
2, 4	<a href="#">Empty Homes Data — Action on Empty Homes</a>
5	<a href="#">A practical approach for councils on dealing with empty homes   Local Government Association</a>
7	<a href="#">National Planning Policy Framework (publishing.service.gov.uk)</a>
8	<a href="#">Levelling Up the United Kingdom White Paper (publishing.service.gov.uk)</a>
9	<a href="#">South Kesteven District Council Corporate Plan- 2024 to 2027.pdf</a>
10	<a href="#">HOUSING STRATEGY 2020 - 2024 FINAL.pdf (southkesteven.gov.uk)</a>