

**COMMUNITIES, REGENERATION & ENVIRONMENT DIRECTORATE
EMPTY PROPERTY STRATEGY 2011 – 2014**



STOCKPORT
METROPOLITAN BOROUGH COUNCIL

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Section 1: Overview & Aims

1.1 Overview

The purpose of this strategy is to outline the Council's approach to empty, private housing within the borough. This is an important issue for the Council as an empty property is a wasted resource which, in an area of high housing demand could be better utilised by providing someone with a place to live. In addition, in certain cases, without intervention, empty properties can deteriorate and have a negative impact on the local area. The strategy is linked to and supports the Council's overall Housing Strategy 'A Good Place to Live' (2010-2015) which identifies tackling priority empty properties as a way of maximising the supply of housing within the borough and improving housing choice for residents. This strategy will also show how it is linked to other Council Strategies and how it fits in with current National and Regional policies. This Empty Property Strategy sits under the Housing Strategy 2010-15, and replaces the previous Empty Property Strategy produced in 2003. This document will:

- Outline which empty properties will be prioritised
- Set out the current situation with empty properties in Stockport
- Outline what previous action has been taken
- Outline what action will be taken in the future and how

1.2 Why have an Empty Property Strategy?

The 2008 Stockport Housing Needs Assessment identified excessive levels of housing demand and need within the borough. In order to meet this need the assessment identified, amongst other things, the importance of making the best use of the existing housing stock. This included bringing empty homes back into use in order to increase the overall supply of housing. Bringing empty homes back into use also enables the Council to achieve more effective use of the existing housing stock and, in turn, to reduce the demand for new land for housing and its associated environmental impacts.

The 2008 Housing Needs Assessment noted that ‘important differences exist between the levels of preference expressed for property types and their stock supply levels, especially the higher need for flats/maisonettes and terraces from new forming households, than the existing stock. The overall need expressed by new forming households for flats and terraced houses is significantly higher than the existing market stock.’ As well as this the assessment identified an ‘affordability problem arising from the relationship between local incomes and the realistic supply of the cheapest stock available’. As the supply of housing within the borough is unable to currently match projected demand it is important that any empty properties which could provide accommodation are brought back into the housing market in order to increase supply.

Empty properties are a waste of valuable housing resources and, if left for long periods of time, can have a negative effect on neighbourhoods and the environment. This can take the form of disrepair; fly tipping, pests and being a focus for anti-social behaviour or criminal activities. This in turn can affect property values and a community’s sense of well-being and discourage private investment in the area: nobody wants to live next door to a poorly maintained empty property.

The Empty Property Strategy enables the Council to clearly set out its approach to Empty Properties and contributes to meeting wider housing market requirements identified in the Housing Needs Assessment.

1.3 Aims

This strategy outlines the current situation with regard to empty properties within the borough and lists the key measures which the Council will use to reduce the number of empty properties.

What we want to achieve by delivering this strategy:

1. To actively identify and reduce the number of long term empty properties in the Borough
2. To provide information and advice to homeowners
3. To improve our empty property evidence base

By reducing the number of empty homes in Stockport we aim to:

- Improve the local environmental quality
 - Improving visual amenity of area
 - Reduction in Anti Social Behaviour/Crime
 - Encourage investment in the housing stock
 - Improve community pride
- Increase opportunities for people in housing need
 - Increase available housing stock
 - More affordable housing
 - Greater choice of housing
 - Improved standards of housing
- Help the owners of these properties to benefit through
 - Rental income or capital
 - Security of property
- Benefit the local economy and wider community through
 - Reduced demand on services – fire/GMP/LA
 - Reduced demand for building new housing stock

The action plan at the end of this strategy in appendix 2 summarises the key policy tools to be used and the outputs which we intend to achieve.

Section 2: A look at empty homes in Stockport

2.1 Context

Over the last decade a number of Government papers and guidance documents have highlighted the importance of bringing empty properties back into use as a way of increasing housing supply, and the need to have empty properties incorporated into Local Governments strategies. Some of these include:

- Sustainable Communities – A five year plan (2005)
- Baker Review of Housing Supply (2005)
- Planning Policy Guidance (PPG) 3: Housing
- Homes for the Future Green Paper (2007)

Most recently in 2010 the new coalition government reiterated the importance of bringing empty homes back into use in its 'Our programme for Government' document.

2.2 Regional and Sub Regional Context.

The 2009 North West Regional Housing Strategy and the Greater Manchester Housing Strategy 2010 both highlight the need to create balanced housing markets across the North West that support economic growth, strengthen social and economic inclusion and ensure that everyone has access to appropriate, well designed high quality, affordable housing in sustainable, mixed and vibrant communities'. As well as achieving the right quantity of new housing the strategy also emphasises the importance of 'optimising the use of the existing stock and in particular bringing empty properties into use'.

The Housing Strategy Statistical Appendix (2009) compiled by DCLG identified there were **651,993** empty homes in England, with **122,632 (18%)** of these in the North West, Stockport's Empty Homes account for **3% of the total stock in the borough, or 4146 properties.**

Despite work to ensure the accuracy of results across each Local Authority there remains significant variation. One of the main reasons for this variation is the different approaches to assessing Council Tax, with some LA's offering a reduced rate in council tax for empty properties, where others do not. It could be argued that some figures are artificially low due to empty properties not being identifiable. At Stockport an empty property discount is offered, therefore reducing this risk and meaning that the data is more reliable, and the Council has a better understanding of where the empty properties are.

Within Stockport Council, the empty property strategy can be seen to support the broader aims of the Council Plan to increase the supply of affordable housing within the borough.

2.3 Definition of an Empty Property

There is no single agreed definition of an empty property. In any property market there will always be some properties which are empty for relatively short periods of time. This may be because they are rented properties which are awaiting new tenants or owner occupied properties which are for sale and where the owner has already moved out. A number of vacant properties, typically accepted as between 2 and 3.5%, are necessary for the smooth functioning of the housing market otherwise it would be difficult for people to move home. (The Transport Local Government and Regions Sixth Report: Empty Homes; 2002). Properties that have been empty for relatively short periods of time should not, therefore, be considered to be of concern.

For statistical purposes the Department of Communities and Local Government counts properties which have been empty for more than six months as empty properties.

They do not include second homes or properties which are used occasionally (such as holiday accommodation). In Stockport, Council Tax records provide details of all properties which have been empty for more than six months.

Stockport has, for a number of years, focussed activity on properties that have been empty for more than 12 months. There are three principal reasons for this:

1. There are a large number of properties that are returned to use before they have been void for 12 months and it would be an inappropriate use of Council resources to focus on properties that would be reoccupied without any intervention being required.
2. It is unusual for properties that have been empty for less than 12 months to be visually in a poor condition and to have a detrimental effect on the local area.
3. Many void properties are created as a result of older people having to move into care homes or as a result of bereavement. In such cases, it can typically take up to 12 months, or in some cases more, to organise family affairs or arrange probate before properties can be marketed. At such times, families would not welcome intervention by the Council, nor would it be appropriate to make such contact until there has been the opportunity for such processes to be completed.

Consideration also needs to be given to those properties that are:

- In the process of being renovated by either developers, landlords and owner occupiers and the length of time it may take to bring a property back into use.
- Empty flats over shops that are used for business storage and in many cases have no external access.

2.4 Stockport: Facts and Figures

Total Population: 284,528
No. of Households: 120,456
 Census, 2001

Stockport Housing Tenure 2007/08

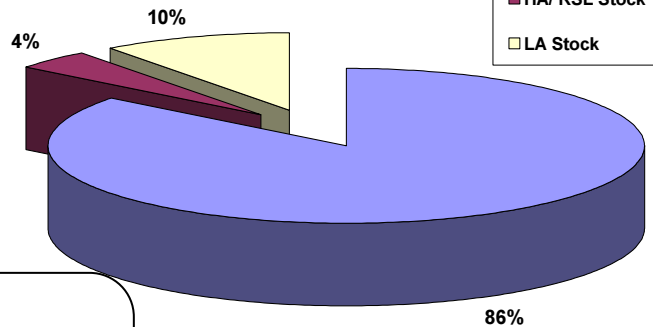


Chart 1: Pie Chart showing Housing Tenure

Housing Tenure 2007/08

Private Stock	107,004
HA/ RSL Stock	5,246
Local Authority Stock	12,799
<hr/>	
TOTAL	125,049

Empty Properties in Stockport

2008

All Empties:	4037
Empty for 6+ Months:	2499
Empty for 12+ Months:	1562

NB: Taken on 01/04/2009

2009

All Empties:	3685
Empty for 6+ Months:	2337
Empty for 12+ Months:	1601

NB: Taken on 31/03/2010

The majority of empty properties in Stockport are empty because they are subject to probate, the owner of the property has been taken into care, they are being renovated or are for sale or to let. Only a small number of properties remain empty without good reason and most of these are in a reasonable condition and only require minor remedial works to make them suitable for occupation.

Although there are some fluctuations (a small fall in the total number of voids and a small rise in those that have been empty for at least 12 months), the figures in Stockport over the last 2 years have shown some degree of consistency despite a weak housing market. The current level of voids in the Borough is within the accepted range for transactional vacancies (i.e. 2 -3.5%), necessary for the smooth functioning of the housing market.

Analysis of the 12 month and over void figures show that 250-300 of the addresses change every quarter, which indicates that there is movement in the housing market.

Section 3: Where are we up to with Empty Properties in Stockport?

3.1 Current Status

The Council's approach under the previous Empty Property Strategy focussed on the significant problem, at that time, of long term empty properties, some of which had been vacant for over 20 years. The approach utilised Compulsory Purchase (CPO) as the ultimate sanction where owners were not able, willing, or present to ensure the properties were returned to occupation, and linked the sale to an innovative approach using a sale by tender with a building license agreement which required the purchaser to complete an agreed schedule of works before receiving freehold title. This approach proved extremely successful, and as a result of this work the problems of long term empty properties are now much reduced, with comparable surveys in 2003 and 2008 showing a reduction from 330 properties to 153.

The Council identified empty properties in a number of different ways. These included:

- Information from Council Tax databases
- Complaints from local residents
- Enquiries from elected members
- Referrals from other departments
- Observations made by area officers whilst visiting local neighbourhoods

From a list of all known empty properties, the Empty Property Strategy concentrated on houses and flats that had been empty for at least 12 months. This allowed owners adequate time to renovate the property, put it up for sale or to complete legal matters following the death of the previous occupant.

Visits were made to the following properties: Those that had been empty for more than 12 months, those that were subject to a complaint, those that were part of an annual void survey and those properties that were visited as part of the calculation of any relevant local performance indicators.

3.2 Classification of Empty Properties.

Following an inspection, each empty property was placed in one of the following categories according to its condition:

- A: In a good condition despite being empty.
- B: In a poorer condition but not generally deemed to constitute a serious disamenity to the area.
- C: In a very poor condition and generally deemed to constitute a serious disamenity to the area.
- D: In a dilapidated or derelict condition and/ or has serious structural defects which that may question the future viability of the building.

3.3 Empty Property Survey 2008

Between November 2008 and January 2009 a survey was carried out of all known properties which had been empty for more than 12 months.

Number of 12 Month Voids on 01/10/08	1495
Number of properties subsequently found to be occupied/alternative use.	39
Number of properties surveyed.	1456

Each of the 1495 properties were visited and assessed. All empty properties were put into one of the categories A-D above. Details of any progress on site (Renovations, for sale to let etc) and any other concerns such as security or fly-tipping were also recorded.

3.4 Survey Results

	A	B	C	D	Total
SK1	0	62	3	0	65
SK2	2	128	13	2	145
SK3	2	97	7	0	106
SK4	2	188	34	1	225
SK5	0	109	17	1	127
SK6	0	265	9	1	275
SK7	23	141	17	1	182
SK8	47	237	44	3	331
Total	76	1227	144	9	1456

Table 1: Categories by Postcode

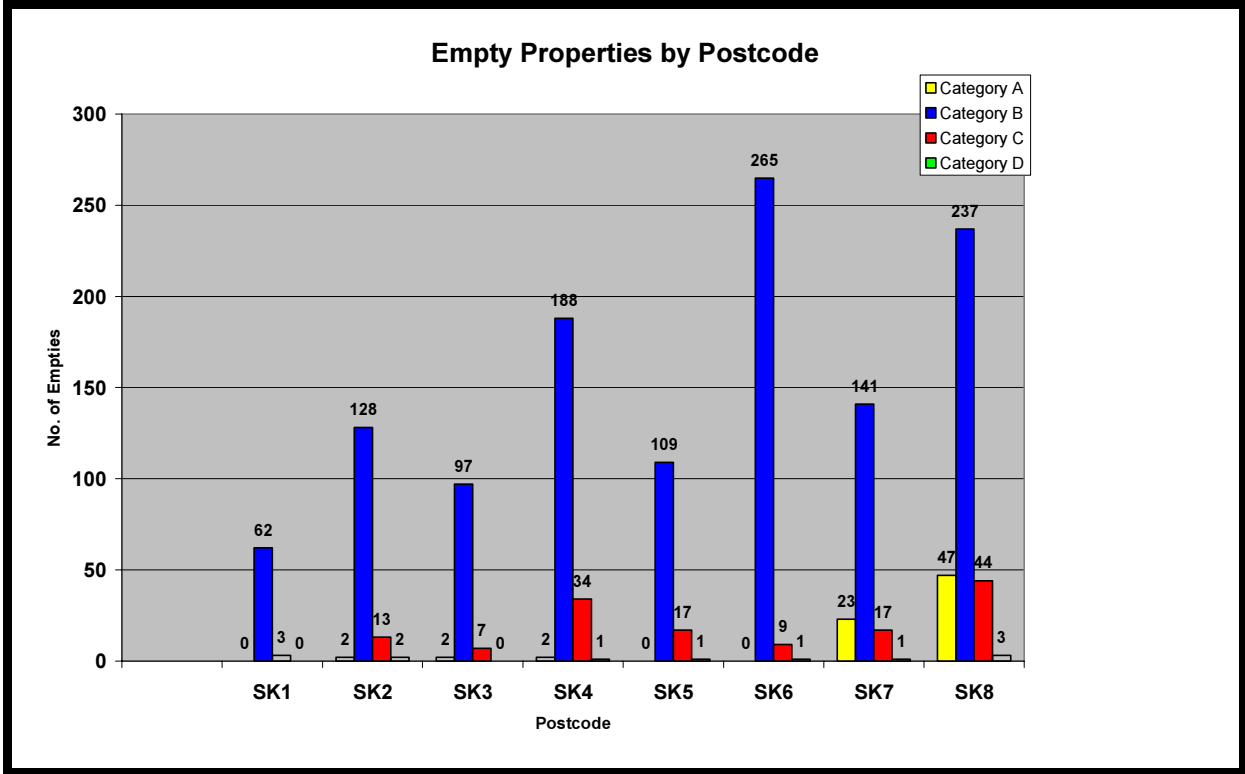


Chart 2: Bar Chart showing empty properties by postcode

An overwhelming majority of the empty properties were either in a good or reasonable condition and only 153 premises fell into the C&D categories.

Postcode	Category C		Category D		Total
	No Action	Progress Evident	No Action	Progress Evident	
SK1	3	0	0	0	3
SK2	2	11	0	2	15
SK3	3	4	0	0	7
SK4	10	24	1	0	35
SK5	10	7	1	0	18
SK6	7	2	1	0	10
SK7	5	12	0	1	18
SK8	18	26	0	3	47
Total	58	86	3	6	153

Table 2: Category C&D Properties

No apparent activity was recorded at only **61** of the 153 category C&D properties. The remainder were either being renovated, for sale, to let or already being targeted by other Council services. This compares favourably with a similar survey carried out in the summer of 2003 when 330 problematic voids were identified. The SK4 and SK8 postcode areas had the most problematic voids whilst the Town Centre and SK3 postcode areas had the fewest concerns.

3.5 Prioritisation of Empty Properties

Following inspection and categorisation a list of priority empty properties was produced. It included:

1. Dwellings in a poor condition that had been empty for more than 12 months and in which there was no apparent signs of the property being occupied in the near future (i.e. for sale, being renovated).

2. Any house that had been empty for more than five years whatever its condition and where there was no known justification for it to be kept empty.
3. Any property referred via the Safer Stockport Partnership where there was clear evidence of sustained anti-social behaviour, vandalism, arson etc.
4. Properties in which circumstances dictated that an early resolution was required, e.g. a terraced house with dry rot which could affect adjoining properties.

3.6 Empty Property Performance using Priority List Approach

The number of priority empty properties in 2009-10 was **63**. Of these 8 (12.7%) were brought back into use by working with the owners during this year.

Of the remaining **55** priority empty properties:

- 7 were currently being renovated
- 2 were for sale/to let.
- 1 had recently been sold at auction
- 2 required further investigation to determine occupation

This resulted in **43** empty properties remaining on the priority list that required further attention at that time. Owing to the ever changing housing market, these figures may fluctuate.

Section 4: Moving Forward

4.1 Enforcement Options Available

4.1.1 Informal Action

Where empty properties have been identified the Council initially seeks to work informally with owners. Information and advice is made available to the owners in an attempt to encourage them to return the property back to use.

There are a number of ways in which we hope to achieve this, namely:

- By identifying & encouraging empty property owners to bring their properties back into use voluntarily, either by selling it, letting it out or living in it themselves.
- By identifying potential buyers/developers who may wish to purchase empty properties.
- By working with Registered Providers to determine if they would be willing to increase their portfolio by taking on empty properties.
- By working with Stockport's tenancy deposit scheme to find tenants for empty property owners who are struggling to let them out.

4.1.2 Formal Action

In cases where negotiation with owners fail to return a property to use and all other measures have failed to co-operate with the owner, there are a number of enforcement options available to the Council which enable us to take control or ownership of the property, thus bringing the property back into use or removing it from the housing stock completely.

Enforced Sale

Enforced sale of an empty property can be carried out under Section 103 of the Law of Property Act 1925. It enables a Local Authority to force a sale of a property which has a local land charge, or charging order on it for money owed, for example, for works carried out by the Council in default following the service of a statutory notice or for unpaid council tax.

Compulsory Purchase

Under Section 17 of the Housing Act 1985, the Council has the power to acquire land and property compulsorily where an owner refuses to take action to bring the property back into use, where an owner cannot be traced or where a property has been empty for a long time and is causing a nuisance or is a danger to the public. There are a number of critical tests that must be applied, and will be subject to challenge at any appeal inquiry. These include:

- That the Local Authority can demonstrate Housing Need. This can be demonstrated through the Housing Need Assessment
- That repeated warnings have been given, and that the owner has failed to respond or make reasonable efforts to bring the property back into use
- That the particular property is a high priority when compared to others, that is, that the authority has considered the relative merit of taking such action in respect of other empty properties, and can justify why this one has been selected
- That there is no reasonable expectation that the owner will bring the property back into use.

In Stockport, the use of such powers has been linked to an innovative approach, which links the subsequent sale of the property through a tender process with a building license agreement which requires the purchaser to undertake certain works before receiving freehold title. This approach has proved to be extremely successful and ensured that the properties are renovated on sale.

Empty Dwelling Management Orders

The Housing Act 2004 introduced powers to enable councils to take over the management of an empty dwelling. The legislation and qualifying criteria associated with the provision are complex, but in summary the council take over the running of the property, carry out repairs to bring it up to standard and then rent it out for a period of up to seven years, after which the property must be handed back together with any excess rent/monies received.

There are considerations that would need to be taken into account before deciding to implement an EDMO as there can be significant financial exposure associated with their use.

Demolition Orders

Typically, this would be an option for end terrace properties that are in poor condition and beyond viable economic repair. The owner of the property would be ordered to demolish the property, and in some cases, the Council would then seek to purchase the land from the owner.

4.2 General Enforcement Powers

The following powers are available, however some are enforced by other departments and we would be guided by them as to whether it was an appropriate course of action.

Issue	Legislation	Action Required
Unsecured property with the risk of unauthorised entry, vandalism or arson.	Section 29 Local Government (Miscellaneous Provisions Act 1982).	Requires the owner to secure the property or for the Council to board it up.
	Building Act 1984 S78	Enables Local Authority to fence off property
Unightly land/poor visual amenity	Town and Country Planning Act 1990 S215	Owner to address unsightly land or external appearance of property
	Public Health Act 1961 S34	Owner to remove waste
	Building Act 1984 S79	Owner to address disrepair which is affecting the amenity of the area
Emergency Repairs to a building that adversely affects the amenity of an area.	Sections 77 and 79, Building Act 1984.	Requires the owner to make the property safe and/or enables the Local Authority to take emergency action to make the property safe.
Property in such a condition as to be a nuisance (e.g. causing dampness to an adjoining property) or prejudicial to health.	Environmental Protection Act 1990, S79	Requires the owner to take steps to abate the nuisance.
	Building Act 1984 Section S76	Enables the Local Authority to take steps to abate the nuisance
Presence of vermin or risk of attracting vermin.	Prevention of Damage by Pests Act 1949 S4	Requires owner to clear vermin or remove waste which might attract vermin.
	Environmental Protection Act 1990 S79	
	Public Health Act 1936 S83	

4.3 What happens next?

Having regard to the work already undertaken, the scale of the problem in Stockport, the enforcement options available, and the most effective use of the Council's resources, the priorities will be;

- Properties that have been empty for more than 12 months
- Properties that have been subject to complaint(s)

The Council will not:

- Intervene where properties are in the process of being sold, actively renovated, or are subject to planning negotiations/applications/disputes
- Intervene with properties which are going through probate for a minimum period of 2 years

These priorities will not preclude the Council from intervening or taking appropriate statutory action in respect of issues of immediate concern, such as the building being open to access or causing damp in adjacent properties.

The enforcement options available to use include Enforced Sale, Compulsory Purchase, EDMO's and Demolition Orders. All options will be considered but consideration will be given to the financial implications and potential risks associated with each of these options. Political approval will be sought before embarking on any of these courses of action.

In addition to the A-D classification criteria, a numerical scoring system will be applied to each of the remaining empty properties, and any subsequent empty properties that become known to us. This will enable a score to be assigned to each individual empty property and allow us to prioritise each property within each separate classification criteria. The scoring matrix can be found in Appendix 1.

Information is received from Council Tax, members of the public and Elected Members. This information will then be used to pursue the property owner to get the property brought back into use if this is the most appropriate course of action.

A revised empty property database will be introduced to provide more detailed information on the reasons why privately owned properties in Stockport have been empty for some time, determine what obstacles exist to bringing the properties back in to use, and to identify possible solutions. To do this we will collect specific information on:

- Who owns the property
- Why the property is empty
- How long it's been empty
- The type of property
- The condition of the property
- Action taken to bring them back into use

Developing a database such as this will allow targeted action in the approach taken to monitor and deal with different types of empty properties and owners in the borough. This will also help when considering possible enforcement action on a property as it will enable a history to be recorded, and justify any possible enforcement intervention. Additionally, for the purpose of improving the database we will undertake a mapping exercise and utilising Council Tax Void Property Records more effectively. This will aim to identify empty property hotspots across the borough.

4.3.1 Working with Council Tax

Consideration is being given to the possibility of reducing the current level of council tax discount for people who have empty properties, thus increasing the incentive for owners of empty properties not to leave them unoccupied for prolonged periods of time. At the same time there needs to be a way of differentiating between the empty properties and the occupied ones, therefore it would be considered necessary to only reduce the discount and not remove the discount completely.

We are working with council tax to determine where there are council debts attached to an empty property and if a charging order can be made against the property. Where this order is granted there is the possibility of using this debt to enforce the sale of a property, following the enforced sales procedure previously outlined. Doing this will both ensure empty properties are brought back into use and increased revenue for the council in the way of recovered council tax debt.

4.4 Overview of Actions to be taken

In Summary:

- Review the Empty Property Survey results to ensure the priority list is up to date
- Apply scoring matrix to empty properties
- Develop and expand on Empty Property Database
- Improve on ways to engage with empty property owners and potential buyers of empty properties
- Introduce mapping exercise to identify hotspots

A flow diagram showing the process for dealing with empty homes can be found at Appendix 2 at the end of this strategy.

Section 5: Monitoring and Performance

We have developed a clear action plan showing **what** and **when** we will achieve milestones set out under each of the Aims in Section 1.3. This will allow us to monitor our progress over the next 3 years, and subsequently highlight our successes and identify where there is room for development, enabling continuous improvement. The action will be reviewed on a yearly basis to ensure that they reflect Stockport's current aims and priorities in relation to empty properties, and the resources that are available. The Empty Property Strategy Action Plan can be found in Appendix 3.

Section 6: Contacts

If you require any further information about this strategy, please contact the Housing Standards Team on the following:

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Telephone: 0161 474 4242

Other useful Contacts/ Websites

Andy Kippax, Senior Manager Strategic Housing Services. Tel: 0161 474 4319

Empty Homes Agency: www.emptyhomes.com

Communities and Local Government: www.communities.gov.uk/housing