

Empty Properties

Committee name	Environment, Housing and Regeneration Select Committee
Officer reporting	Mark Billings, Planning, Environment, Education and Community Services
Papers with report	None
Ward	All

HEADLINES

This report provides information relating to private sector empty properties in Hillingdon. It sets out the current situation with regards to empty properties, good practice and timescales for a review of our approach.

RECOMMENDATIONS:

That the Committee:

1. Note the contents of the report

SUPPORTING INFORMATION

Numbers of empty properties

1. Empty homes represent a wasted resource that could provide a home for another family and as such the council has an interest in minimising the number of homes left empty. This is particularly the case given the high level of housing need in Hillingdon.
2. Across England there were 468,000 dwellings recorded as empty for the purposes of council tax as of 13 September 2021. Of these, 72,000 were being charged a Council Tax Empty Homes Premium. 70% of dwellings charged a premium have been empty for 2-5 years, 19% of dwellings have been empty for between 5-10 years and 10% of dwellings have been empty for more than 10 years. There were an additional 253,000 dwellings recorded as second homes for the purposes of council tax.
3. Local authorities have the power to increase council tax on properties that have been 'unoccupied and substantially unfurnished' for a long period of time. Council tax-payers may be required to pay 200% of the standard bill after two years (the Levelling Up White Paper contains a proposal to reduce this to one year); 300% of the standard bill after five; and 400% after ten. It is up to the billing authority to decide what rate of empty homes premium to impose, within these limits.

4. Many empty properties are 'transactional empties'. These are properties that are vacant for a relatively short period of time while properties change hands. Properties are considered 'long-term' empties when they have been vacant for six months or more.
5. Table one shows a comparison of the number of empty properties across West London authorities as of 13 September 2021 and the number charged the empty homes premium

Table one

	Total empty homes	No. with Empty Homes Premium	Empty 2 years plus premium	Empty 5 years plus premium	Empty 10 years plus premium
Brent	2,077	290	100%	200%	300%
Ealing	1,619	262	100%	200%	300%
Hammersmith & Fulham	726	107	100%	200%	300%
Harrow	2,251	143	100%	200%	300%
Hillingdon	947	230	50%	50%	50%
Hounslow	2,779	232	50%	50%	50%
Kensington & Chelsea	2,670	597	100%	200%	300%

Source: Council Tax Base (October 2021)

6. Hillingdon charges a 50% premium on homes empty for 2 years or more, including those empty between 5 and 10 years and those empty for 10 years plus. Hounslow also apply premiums in this way. All of the other West London boroughs, Brent, Ealing, H&F, Harrow and K&C charge the maximum premiums, i.e., 100% for homes empty 2 years, 200% for homes empty between 5 and 10 years, and 300% for those empty 10 years or more.
7. The Council's own records show that as of January 2022 the total number of empty dwellings in Hillingdon was 935. Table two shows when they became empty:

Table two

Pre 2015	39
2016 - 2019	137
2020	153
2021	602
2022	4
Total	935

8. The spread of empty properties around Hillingdon is shown in Appendix A. Some additional data has been included related to second homes and short-term lets through platforms such as Airbnb as they also impact on the number of homes not in primary residential use.

Second Homes

9. The campaigning group 'Action on Empty Homes' found in their 2020 report 'Pretty Vacant' that use of property in London as an investment is producing a growth in underutilised properties. In recent years, there has been an increase in the number of officially recorded long-term empty homes, a rise in second homes as investment vehicles and a surge in short-term lets through platforms such as Airbnb, involving both new-build and older homes.
10. Some property built for this market might appear in long-term empty homes statistics. However, it is likely that many are not recorded in this way, but are classed as second homes. It is thought that rather than these properties being bona fide holiday homes, the second homes classification is frequently used by owners to evade a property being classed as long-term empty and avoid being charged empty-homes council-tax premiums. An estimate in the report suggests there are 25,000 long-term empty homes in London and 46,000 second homes. While this issue is more prevalent in inner London boroughs, Hillingdon does have a significant number of second homes. Table three show the numbers of second homes in West London boroughs.

Table three

	Total second homes
Brent	226
Ealing	210
Hammersmith & Fulham	2,112
Harrow	532
Hillingdon	1,202
Hounslow	366
Kensington & Chelsea	8,035

Source: Council Tax Base (October 2021)

Short term lets (Airbnb)

11. There are also concerns regarding how robust the data on property utilisation is. Exponential growth in the short-term lettings market (Airbnb etc) further adds to the number of homes without full time residents. In early 2020 London Councils research suggested that more than 70,000 properties in London were being used as whole-home Airbnbs. The Action on Empty Homes report cited above includes a figure of 213 whole home Airbnbs in Hillingdon in November 2019 and 'Inside Airbnb'¹ show 586 Airbnb's in Hillingdon of which 208 are whole house listings (see appendix B). Understanding of the underlying trend is complicated by lack of comprehensive data and the impact of the pandemic.

Issues associated with empty homes

12. Empty homes all have negative impacts on neighbouring properties and the wider locality.

¹ [Inside Airbnb: London. Adding Data to the Debate.](#)

They can place a burden on local services as magnets for crime and vandalism and can suck in resources in enforcement and remediation. Empty homes often fall into disrepair and tend to attract anti-social behaviour such as vandalism, fly-tipping, squatting and arson attacks and all these issues impact negatively on housing supply.

13. Homes may have become empty for a variety of reasons for instance, following inheritance by relatives who live outside the local area, or who simply lack the time, resources or capability to bring the home back into use. Family disputes, mental illness and physical ill-health, including diseases associated with ageing populations, notably dementia may exacerbate the difficulties.
14. Empty homes can have a significant negative impact on neighbouring properties' value and sale-ability because of poor maintenance of the homes physical structure and boundaries, including un-maintained hedges, overgrown gardens and trees growing on and around the property. Empty homes also attract vermin.

Current and previous action to address empty homes

15. Turnaround of empty properties within the council's own housing stock is actively managed by a cross departmental group to take collective ownership of the process, remove blockages and achieve swift and effective lettings.
16. In the private sector, we work with landlords and consider options on a case by case basis to bring empty properties back into use. Between 2012 and 2015, the West London Housing Partnership received £3.1m of funding from the GLA for this purpose. While funding was available, Hillingdon supplied grants for landlords to bring empty properties back into use in return for nominations rights to provide homes for homeless households. The Council still has a small Essential Repairs Grant available, up to £5k per property, for landlords who want to bring properties back into use and house homeless households.
17. The Anti-Social Behaviour (ASB) Team tackle the nuisance and public safety aspects of empty homes which fall into two main categories. Firstly, those left empty following the death of the owner, and secondly those unoccupied by the legal owner. In many cases it is not possible to identify the responsible party, as the owners are vulnerable or refuse to co-operate. Therefore, the issue becomes a recurring problem.
18. Where possible the Council will assist an owner to take responsibility and action and will also assist and advise where an owner is vulnerable. However, in cases where enforcement is the only option available then notices are served or 'works in default' are undertaken and the costs incurred are pursued by registering charges for costs against the property. These monies can be recovered on sale of the property or by enforcing the sale. The ASB Team is currently investigating 4 properties.
19. The Council's Business Assurance Counter Fraud Team (BACFT) undertake an exercise every year to check the accuracy of empty property records. The New Homes Bonus (NHB) is a grant paid by central government to the Council to incentivise local housing growth. It is based on the extra council tax revenue raised for new build homes, conversions and long-term empty homes brought back into use. During Q2 (July – Sept 2021) BACFT worked to

identify properties that were classified as long-term empty and are now occupied.

20. A total of 985 properties were initially listed as unoccupied. Following internal system checks and intelligence gathering, unannounced visits were conducted to the properties where occupancy could not be determined from information held internally. As a result of the internal systems interrogation and the visiting programme, 418 properties were identified as occupied.
21. Following conclusion of the project a provisional NHB settlement figure of £2,765k has been given. This is a £380k increase on original expectations.

Benefits of bringing empty homes back into use and good practice

22. There are a number of benefits that can be gained from bringing empty properties back into use. These include:
- Increasing the housing supply within the borough for those in housing need and helping to tackle homelessness.
 - Recycling a wasted available resource.
 - Enhancing the local residential environment.
 - Reducing the fear of and risk of crime and anti-social behaviour taking place by removing a potential magnet for associated problems.
 - Reduce the reliance on new build properties to meet housing need.
 - Modernisation of the borough's older housing stock.
 - Regenerating run-down areas.
 - Provide both work and training opportunities for local trades people.
 - Maximising the number of properties brought back into use will also contribute towards the New Homes Bonus and Housing Delivery Test.
 - Promoting a healthy private rented sector.
23. Local authorities have a range of powers and incentives at their disposal to bring empty homes back into use. These include, but are not limited to, Empty Dwelling Management Orders (EDMOs), Council Tax exemptions and premiums, enforced sales, compulsory purchase, and measures to secure the improvement of empty properties. A summary of relevant enforcement legislation is included at appendix C.
24. There are difficulties in the use of some of the legislative options available to councils. For example, Compulsory Purchase is a complicated, lengthy and expensive process and can only be undertaken for specific purposes. EDMOs can only be undertaken after two years and rely on alternative management arrangements being available. In general, it makes sense to exhaust other options before taking a statutory approach. This means engaging with owners and working with them to understand why properties are empty and finding solutions to bring them back into use.

25. The following are some of the activities that other local authorities are taking to deal with empty properties:

- Adopting a strategic approach to empty homes, ensuring that approaches in neighbourhoods with high levels of empty homes fit within a local authority-wide empty homes strategy.
- Most local authorities have dedicated empty property officers who work to broker the reuse or conversion of empty properties.
- Grants and incentives to bring properties back into use. Often accompanied by a requirement to lease the property to the local authority to house homeless families.
- Use of Empty Dwelling Management Orders (EDMOs) - Councils can use EDMOs to take over management of unoccupied homes and bring them into use as rental properties.
- Targeting activity at those properties that cause the most difficulties for neighbourhoods.
- Ensuring that as well as bringing properties back into use the quality of homes is improved and the homes are both accessible and affordable.
- Use of additional council tax charges.
- Advice and support.
- Enforcement action as a last resort.
- Finding empty properties utilising a range of information sources such as council tax records, other council records, land registry, utility companies, contacting neighbours, contacting other external partners, use of a tracing agency, investigating who has an interest in an empty home.
- Working with communities to develop neighbourhood improvement plans to tackle empty homes as wider linked issues, adopting an 'invest to save' approach.

Review of our approach to empty homes

26. Hillingdon's Housing Strategy was approved by Council on 13th January 2022. Reviewing our approach to bringing empty properties back into use is included under Priority two: Increasing Access to Affordable Housing. A project will be underway during 2022 to consider good practice and the options available to the Council in relation to our approach to empty homes and is expected to be completed by Autumn 2022.

Implications on related Council policies

A role of the Select Committees is to make recommendations on service changes and improvements to the Cabinet who are responsible for the Council's policy and direction. The Council's approach to empty homes contributes towards delivering the Housing Strategy which is a key policy framework document for the Council.

How this report benefits Hillingdon residents

The quality of housing and its management have very significant impacts on the lives of residents.

Financial Implications

There are no direct financial implications resulting from the recommendations of this report.

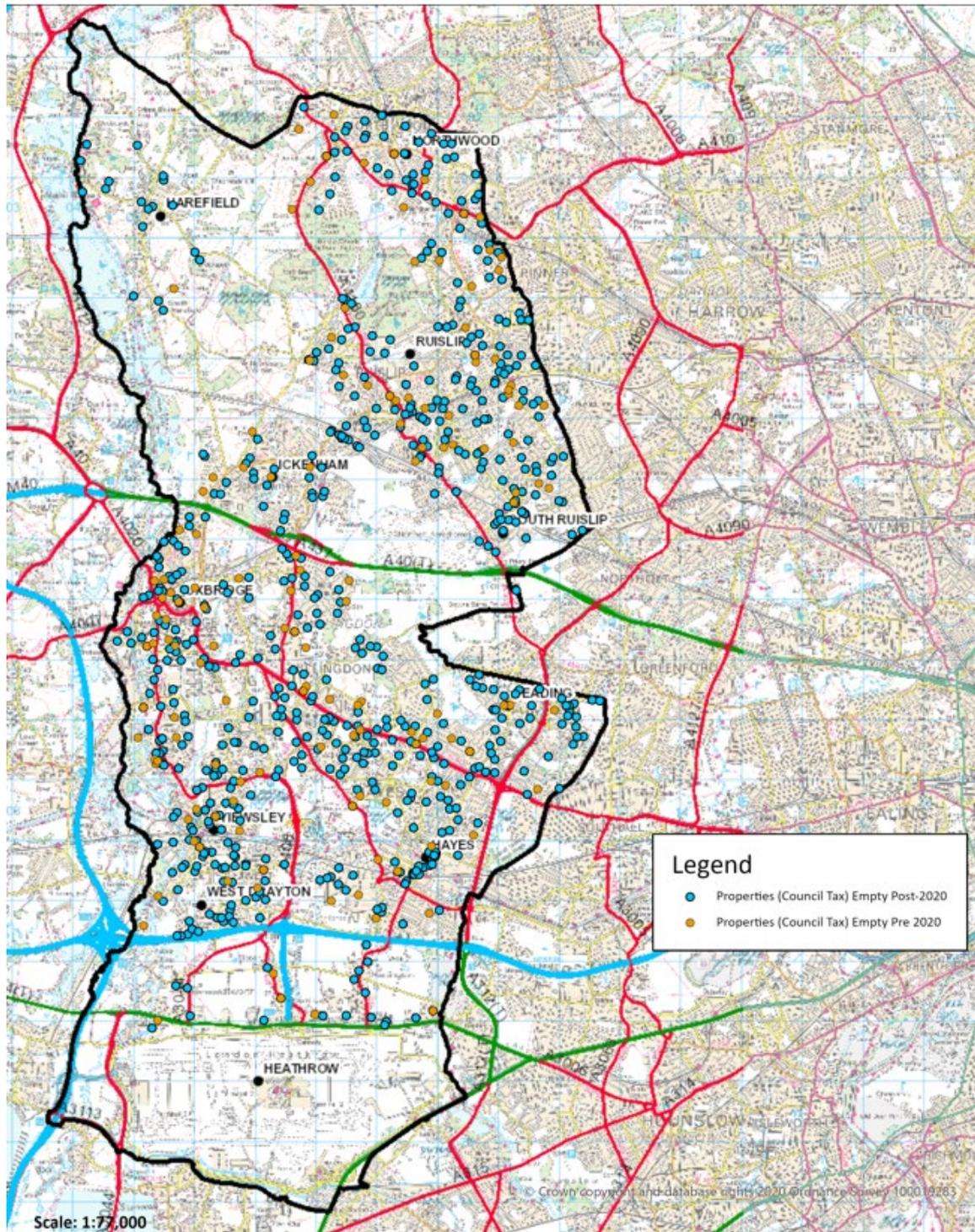
Legal Implications

None at this stage.

BACKGROUND PAPERS

NIL.

Appendix A: Empty Homes

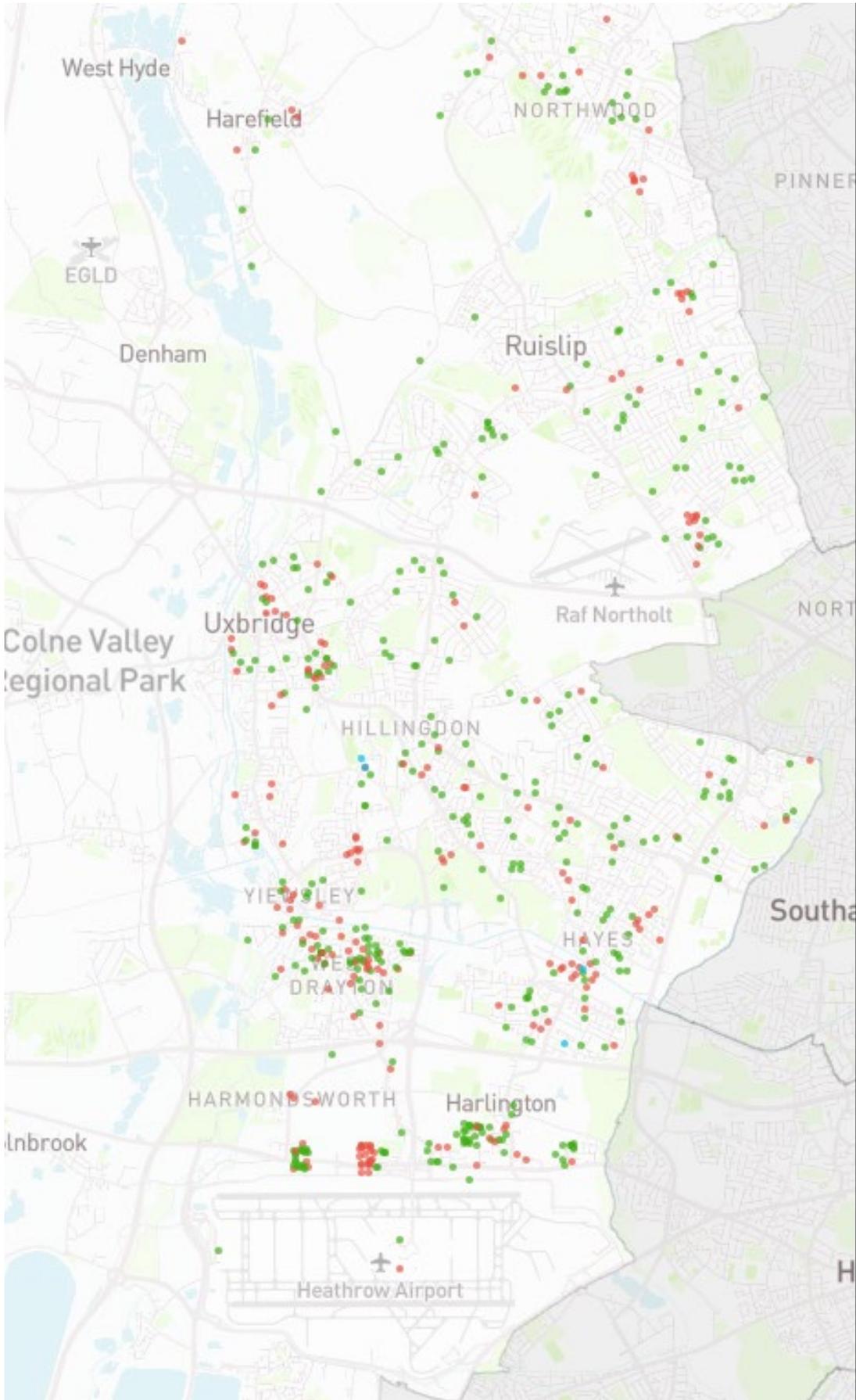


LONDON BOROUGH OF HILLINGDON -

PROPERTIES (COUNCIL TAX) EMPTY







Classification: Public
Environment, Housing & Regeneration Select Committee [16 February 2022]

Appendix C

Problem	Legislation	Power granted
Dangerous or dilapidated buildings or structures	Building Act 1984 s77 & 78	To require the owner to make the property safe (Section 77) or enable the Local Authority to take emergency action to make the building safe (Section 78)
	Housing Act 2004 Part I	Under the Housing Health and Safety Rating System local authorities can evaluate the potential risks to health and safety arising from deficiencies within homes and take appropriate enforcement action
Unsecured homes (where it poses the risk that it may be entered or suffer vandalism, arson or similar).	Building Act 1984, s78 Local Government (Miscellaneous Provisions) Act 1982, s29	To allow the Local Authority to fence off the property. To require the owner to take steps to secure a property or allow the Local Authority to board it up in an emergency.
Blocked or defective drainage or private sewers.	Local Government (Miscellaneous Provisions) Act 1976, s35	To require the owner to address obstructed private sewers
	Building Act 1984, s59.	To require the owner to address blocked or defective drainage
	Public Health Act 1961, s17.	To require the owner to address defective drainage or private sewers.
Vermin (where it is either present or there is a risk of attracting vermin that may detrimentally affect people's health).	Public Health Act 1961, s34	To require the owner to remove waste so that vermin is not attracted to the site, destroy any infestation and remove any accumulations prejudicial to health.
	Prevention of Damage by Pests Act, s4	
	Public Health Act 1936, s83.	
	Environmental Protection Act 1990, s80	
	Building Act 1984, s76	
Unightly land and property affecting the amenity of an area	Public Health Act 1961, s34	To require the owner to remove waste from the property.
	Town and Country Planning Act 1990, s215.	To require the owner to take steps to address a property adversely affecting the amenity of an area through its disrepair
	Building Act 1984, s79.	To require the owner to address unsightly land or the external appearance of a property.

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Anti-social Behaviour	Anti-social Behaviour Act 2003 Parts I&II	Closure Orders for crack-dens, illegal brothels and premises with persistent disorder or nuisance. Generally used by the Police.
	Anti-social Behaviour, Crime and Policing Act 2014. Community Protection Notices	To prevent an owner's persistent, continuing or unreasonable behaviour having a negative impact on the local community's quality of life
Recovery of debts against a property	Law of Property Act 1925, ss101 & 103	To apply for an order of sale of the property to recover council tax debts or debts secured as a legal charge after work in default carried out
Homes empty for over 2 years and causing nuisance in the community	Housing Act 2004 ss133-183	To apply for an Empty Dwelling Management Order (EDMO) to enable the local authority to take over the management of eligible empty homes, to bring them back into use.
Long-term empty homes where no traceable owners, or where all efforts to return the property to use have been exhausted	Housing Act 1985 s17	To seek to acquire a property under a Compulsory Purchase Order (CPO)