

# Sunderland Empty Homes Strategy 2020-2025





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# 1 Foreword

I am pleased to introduce Sunderland City Council's Empty Homes Strategy 2020-2025. This Strategy outlines how the council's plans to bring long-term empty homes properties back into use as quality affordable homes.

It is important that we work proactively to increase housing options for everybody and ensure our housing offer meets the needs of a growing population and supports economic growth. We will focus work on our existing stock and make better use of empty properties, returning them to occupation as homes to meet the needs of everyone, including the most vulnerable households.

With our partners, we will work hard to bring our vision to reality with a focus on delivering this Strategy's priorities, which are resident centred, and have a strong focus on support for owners and landlords in the form of advice, guidance and financial assistance.

However, this approach will not work in every case, and the council will consider use of enforcement powers to ensure that empty properties do not remain empty and wasted, private sector property standards are improved, and management standards are of the highest quality. Only when empty properties are occupied, do they become a 'home', where our residents can enjoy comfort, well-being and enhance their lives.



## 2 Introduction

Sunderland City Council is committed to creating a city that is dynamic, healthy and vibrant. As part of this commitment we aim to provide more and better homes for local communities and those in housing need. One way we can do this, is by tackling empty homes.

Empty homes are a wasted housing resource that can cause problems within neighbourhoods; particularly to the people who live near them. They create additional work and can be a cost burden to the wider Public and Local Authority Services.

This Empty Homes Strategy 2020-2025 compliments our Housing Strategy for Sunderland 2017-2022 and outlines how we will identify empty homes and consider local issues in order to utilise resources effectively to reduce the number of empty properties that exist across the city.

We will utilise all options on a premise of; intelligence, prevention, intervention and enforcement. We will also work with partners to adopt a policy of early engagement to prevent properties from becoming empty.

## 3 National context (England)

(At the time of printing), the latest statistics available from the Ministry of Housing, Communities and Local Government (MHCLG) related to October 2018.

At that time, the number of long-term empty properties in the UK (those empty for at least six months) had risen to 216,186, from 205,293 the previous year. A rise of 5.3% and the highest level since 2012, when 254,059 properties were unoccupied. This rise follows a 2.6% increase in the previous year. Prior to this, the number of empty homes in the UK had fallen year on year since 2008.

There are many reasons why properties become and stand empty. Clearly the number of empty properties cannot continue to reduce year on year permanently, however this national upturn in their number is disappointing for Local Authorities across the country.

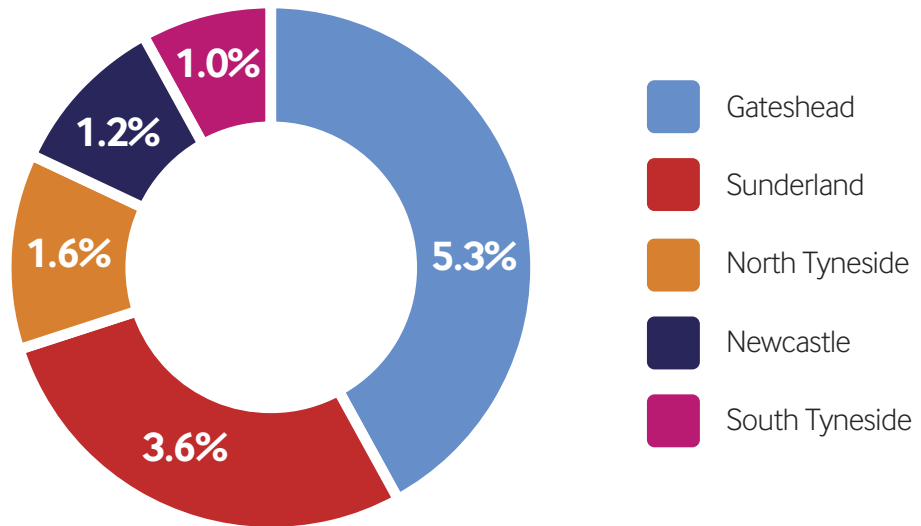


# 4 Regional context

**Graph 1: Regional context – number of empty properties**

Percentage of private sector properties un-occupied within each Local Authority in Tyne and Wear

(January 2020)



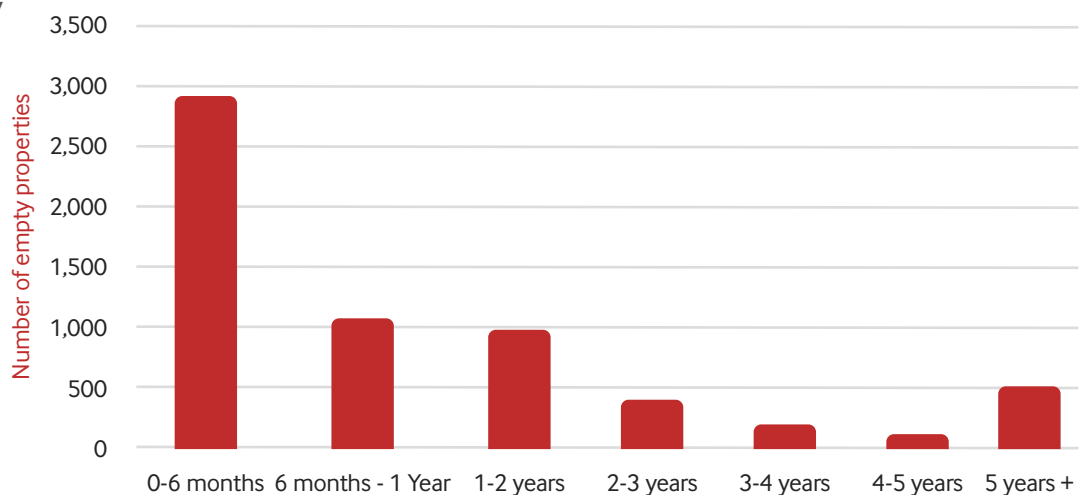
The latest regional figures from January 2020, show that there were 13,158 long-term empty homes in the Tyne and Wear Region, of which 3,348 belong to Sunderland.

Figures show that 3.6% of Sunderland’s private sector stock is unoccupied.

**Graph 2: City context**

Empty properties by length of time empty

(January 2020)

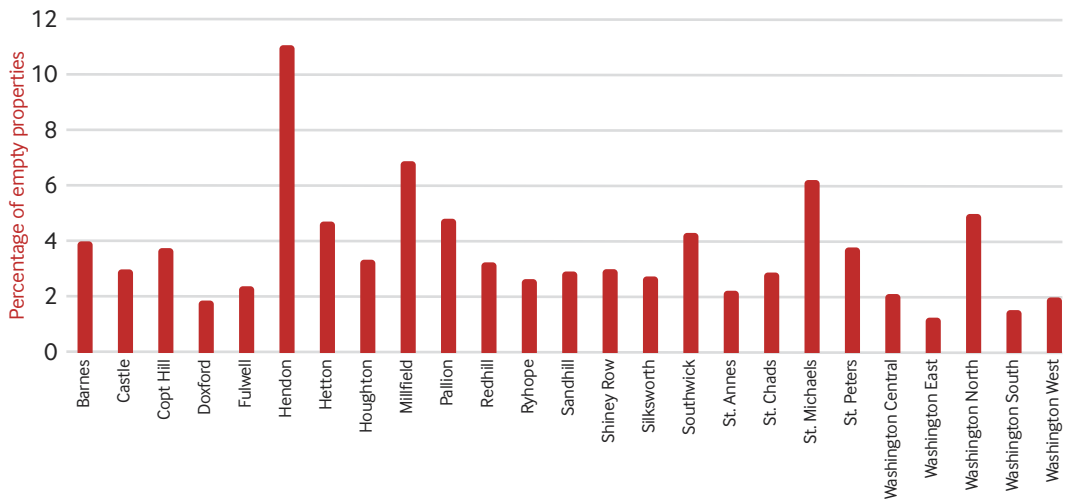


Graph 2: Shows a total of 6,286 empty properties in the city, with 3,348 being empty in the long-term, (over 6 months).

### Graph 3: Ward area

#### Empty properties by ward area

(% against total number of homes in the area)



Graph 3 shows empty homes by Ward Area (% against total number of homes in the ward).

Sunderland has a diverse housing market and the prevalence of empty homes is not spread evenly across the Borough. Some neighbourhoods suffer from disproportionately high concentrations of empty homes.

Graph 3 highlights the 5 wards with the highest number of empty homes, by percentage of stock:

- Hendon – 10.97%
- Millfield – 6.81%
- St Michaels – 6.14%
- Washington North – 4.97%
- Pallion – 4.82%

Data shows that these areas have higher levels of private rented properties and display other indicators of housing decline. Additionally, the Millfield and Pallion wards were attractive to students, however the delivery of new purpose-built student accommodation within the city centre has means that less students are deciding to reside there. This is contributing to higher empty homes figures in these two wards.

The council with its partners, must adopt an area approach, targeting areas which have higher concentrations of empty homes. This approach will reduce the risk of areas suffering further decline and enhance their appeal to inward migration and reduced transience. Interventions to enable this are outlined in Section 8.

## 5 Empty properties – reasons and effect

- Homes become and remain empty for a variety of reasons. These include:
- Low demand
- Lack of interest and neglect from owners/landlords
- Lack of finance to carry out remedial work
- Death/Inheritance Process/Owner in institutional care
- Awaiting planning consent for improvements or changes
- Repossessions
- Family disputes

Not all empty properties cause a problem and a percentage are required to allow the housing market to function. However, the council recognises that if left empty, at some point a short-term empty home can become a long-term problematic empty home. By intervening at the earliest possible stage, we can reduce the risk of properties becoming empty in the long-term, falling into disrepair or becoming subject to vandalism and at worst, becoming detrimental to the neighbourhood.

Empty homes can be classed in one of two categories:

- Short term - properties which have been unoccupied for up to six months and are often going through a process to allow re-occupation such as sale, or lettings
- Long-term - empty properties that have been empty for 6 months or more which are generally empty for a specific reason

## 6 Advantages of bringing empty homes back into occupation

The condition of our housing stock has a direct impact on our communities, as poor housing can affect a person's health, well-being, education, prosperity and safety. As a Local Authority we are determined to ensure that all properties and land are used in the most effective way possible and for the benefit of the residents of Sunderland.

- Returning empty properties back into use has many advantages for the city, these include:
- Increasing the supply of affordable homes to meet demand and offer increased housing options for those who are in housing need
- A positive impact on local communities with improved local neighbourhoods, environments and communities
- Enhancing increased confidence in neighbourhoods as well as supporting local housing growth
- Reduced levels of anti-social behaviour
- Reduction in crime and the fear of crime
- The reduction of cost on the Public and Local Authority Services
- Increased revenue from Council Tax and other Government funding streams
- Increases trade for local shops and business
- Improved housing conditions and standards

# 7 Past approach and interventions

The council has previously utilised interventions such as:

- Landlord Accreditation scheme
- Selective Licensing
- Targeted resource intensive action
- Joined up working with local organisations to refurbish and lease EH to those in housing need
- Engaged with landlords and owners in providing advice and support around responsibilities
- Utilised government funding and empty property premium

These interventions proved successful in returning empty homes back into use and improving neighbourhoods.

## **The (Council Tax) Empty Property Premium**

Council Tax billing authorities (Local Authorities) in England, Scotland and Wales have the power to increase Council Tax for properties which have been 'unoccupied and substantially unfurnished' for a 'long period of time' (As defined by Council Tax Empty Homes Premium Legislation). This is known as the 'empty homes premium'.

Sunderland Council adopted the use of this premium in January 2013 and a charge of 100% was charged from 1 April 2013. This was reviewed in 2018, with an increased premium of 200% charges since 1 April 2019.

## 8 Key priorities and aims

This Strategy outlines how the council will continue work to tackle empty homes to achieve key priorities:

- Reduce the number of problematic and long-term empty properties in the city
- Bring back empty homes as affordable housing to increase supply and meet local housing needs
- Improve local communities and local environments to enhance their liveability
- Improve housing conditions across the city
- Contributing towards readdressing the in-balance of affordable housing supply

Our aim is to:

- Bring back into use a minimum of 250 long term empty properties, 50 per year from 2020/21 to 2024/25.

# 9 Our approach: intelligence, prevention, intervention and enforcement

## Intelligence

We recognise that every empty property has its own story and that the approach needed depends on the reasons why the property is empty and the owner's intentions for that property.

A key focus to success in dealing with empty homes is understanding the what, where and why homes are empty? The council therefore uses various data sources to establish this:

- The location of empty properties, including concentrations areas
- Trends and patterns relating to where they are located and why?
- The dynamics of empty homes across the city – what external issues effect the level of empty homes?
- Areas of concern

Data from the British Research Establishment (BRE) aids us target resources towards improving the condition of housing and the prevention of ill health as a result of poor housing conditions.

Regional data will also be used to enable benchmarking against empty property trends in other neighbouring authorities.

## Prevention

Proactive prevention is better than reactive cure. We will endeavour to prevent homes from becoming empty and often hard to let.

The council has a vision to not only reduce the number of long-term empty properties across the city, but also to reduce the length of time that a property remains empty. This will be done by intervening at an earlier stage to prevent properties remaining empty for longer than necessary and falling into the long-term, (over 6 months) category.

We will engage with the Private Rented Sector prior to empty homes becoming empty, so that we can provide advice and support to ensure that if occupants cannot remain in homes, that new occupants are identified quickly.

We will promote our Private Landlords Accreditation Scheme and improve links both internally and externally with the following services:

- Housing Options Team
- Environmental Health
- Environmental Services
- Police
- Anti-Social Behaviour Team (ASB)
- Fire and Rescue Service

Empty Homes data has shown that where high levels of empty properties exist in any given area it usually aligns with an over representation of the private rented sector. Therefore, it is essential that we try to balance local housing markets by changing the mix of tenure from predominantly private to more social and private homes. This will be a key feature of tackling long term empty homes within our strategic approach to more balanced communities.

Prevention and early intervention play a key role throughout this strategy, being proactive with this approach requires effective communication. The council will endeavour to raise and increase awareness of empty homes. This aligns with the Councils newly adopted Communications Strategy: by way of;

- Media campaigns in the local press
- Participating in local landlord events and forums
- Advertising and promotional work through the council website
- Proactive engagement with owners and agents to identify empty homes as early as possible and agreeing a course of action
- Working with and supporting local Community Led organisations to target Empty Homes in an area

## **Intervention**

We will apply proportionate and appropriate intervention and enforcement measures to ensure that a solution is found to re-occupy every empty home.

There are a number of interventions the council and its partners will consider when tackling empty homes, these include:

- General advice and signposting
- Assistance to secure a tenant
- Landlord Accreditation
- Partnership working
- Financial assistance
- Acquisition
- Lease and Repair Scheme
- Area focused interventions

## **Partnership Working**

A critical aspect of achieving our strategic aims and reducing empty properties is through partnership working with housing providers, local communities, local developers, contractors and wider Public Service partners to create a combined proactive approach in the pursuit of managing the complex nature of empty homes and effectively returning empty homes back into use.

Partnership working is already underway, and this approach is being developed further to tackle long term empty homes in the areas of Millfield and Hendon.

In addition, a range of new projects and approaches are being developed with partners for deployment across the city. This will allow partners to purchase empty properties and bring them back into use as quality affordable homes.

We will work in partnership with Registered Providers, Charitable organisations and Community Led Housing



Groups to tackle empty homes through acquisition and refurbishment for affordable rent. To complement this approach improved housing management standards will be explored to ensure property conditions are met and maintained and tenancies are sustained.

## Supporting empty home owners

The council can offer financial assistance to owners via its Financial Assistance Policy (FAP). This offers empty property owners grants and loans (subject to criteria) which would be used to carry out repairs which are required to bring a property up to a quality/lettable, or re-sale standard to secure occupation.

- A maximum of £5,000 grant per property is available dependent on the length of time the property has been empty.
- The loan scheme is available. This assistance must match funds at a rate of 50% up to a total amount of £15,000. This is an interest free repayment loan.

Based on the number of empty properties (6,286) financial assistance in the form of a grant would be accessible on 18.4% of empty properties and 51.6% are eligible for loan.

## Purchase and repair/lease and repair

There are times when property owners may not have the capital to bring their homes up to a good standard, either independently or with the use of our assistance, (loan), but they do not wish to sell the property. To prevent the home remaining empty, the council is exploring the use of two schemes; Purchase and Repair or Lease and Repair to bring empty homes back into use as affordable housing.

The council will consider purchasing a property, if financially viable to do so when refurbishment cost and letting value is considered. Or Lease and Repair, where the owner would lease their property to the council, and once in Council control, necessary repairs will be completed with this cost, (minus fees) recouped via the letting of the property over an agreed lease period. The length of the lease is dictated by the level of repair cost and rental income. Each property would need to be appraised, however leases of circa 5-7 years are expected. At the end of the lease the owner gets a refurbished property back with a sitting tenant.

Both options will ensure sustainable occupation and deliver good quality additions to the housing stock.

## Virtual Bond Scheme

This scheme is available to homeless applicants to access accommodation within the private rented sector. The council will secure a 'virtual' bond up to the value of £750 on behalf of the tenant to act as a deposit. This aligns with the Homeless and Rough Sleeper Strategy and allows the council to work closely with private landlords in the city and to house those in need. It is also a useful tool in providing tenants for empty properties and should aid tenancy sustainment.

## Private Rented Accreditation Scheme

The council's Private Landlord Accreditation Scheme provides accessible advice and guidance to private landlords on how to efficiently manage their properties.

The council are keen to promote the scheme and encourage all landlords to join, irrespective of the number of properties they own in the city, benefits include:

- Free to join, giving a landlord access to housing applicants from the local authority
- Tenant vetting
- Avoiding agency fees

- Access to up to date training and ongoing support and advice
- Certification for good practise
- Free advertising on Council's website
- Accredited landlords attracted better quality tenants
- Information via regular landlord forums and events

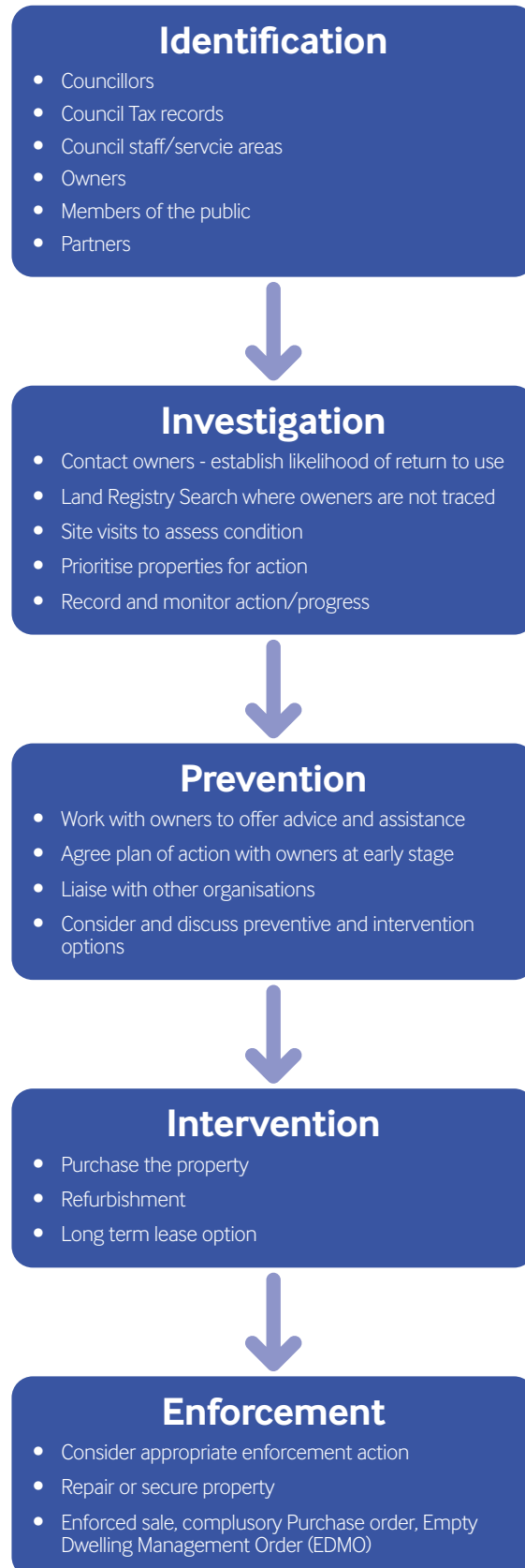
## Enforcement

The council will adopt a strategic and measured approach to tackling empty homes. Support, advice and the offer of assistance is preferred, however where properties continue to remain empty and cause problems in the long-term, enforcement actions will be considered when other interventions fail.

The council has available a range of powers which can be used to return empty properties to a decent standard and, ultimately back to sustainable occupation, this includes:

- **Town and Country Planning Act 1990 (Section 215)** – A remedial notice can be served on landowners when the visual appearance of a home, usually through neglect, is detrimental to the amenity of the neighbourhood. Failure to comply is an offence which carries a maximum fine of £1000 on conviction. Following initial conviction, a continuing offence carries heavy maximum penalties, default works may be undertaken and costs of such recovered or used to trigger an enforced sale procedure.
- **Anti-social Behaviour, Crime and Policing Act 2014 (section 43)** – Community Protection Warning notice (CPW)/Community Protection Notice (CPN) - Served when an owner of an empty property fails to take appropriate action to manage the empty property and this conduct has a detrimental effect upon the quality of life in the area. Following a CPW, if the warning is not complied with a CPN is served. Breach of a CPN is a criminal offence, which carries a maximum fine of level 4 on the standard scale or £20,000 if the owner is a corporate body.
- **Local Government (Miscellaneous Provision) Act 1982** – Under Section 29 the council has the power to secure empty homes against access where it is considered to be a danger to public health.
- **Enforced Sale (Law of Property Act 1925)** – The use of enforcement actions on empty properties can result in the gradual build-up of debt if works are completed by the council (in default of the owner failing to comply with the enforcement notice). Where a reasonable charge has been registered against the property it is possible that the council could 'force the sale' of the property to recover that debt. This removes control of the property from the current, often neglectful owner.
- **Compulsory Purchase Order (CPO) Section 17 Housing Act 1985** – Where owners cannot be located or are unwilling to bring their property back into use, the council can seek to compulsorily purchase a property and then sell it on the open market, for sustainable occupation.
- **Empty Dwelling Management Orders (EDMOs)** – The Housing Act 2004 gives local authorities power to apply to the Residential Property Tribunal for an interim management order which may lead to the compulsory leasing of the property for a fixed period of time.

# 10 Empty homes procedure



# 11 Main challenges

As previously mentioned, properties can become and remain empty for many reasons, but they can also be re-occupied for various reasons, and via various interventions. This strategy outlines many of these interventions and tools, and although many of the following key challenges remain, we will tackle empty properties and ensure they are occupied and used as high-quality homes. Challenges include:

- Maintaining accurate records and data of empty properties
- Identifying empty properties, homes may look to be empty but sometimes they are not i.e. second homes
- Ownership disputes – Establishing the owner
- Personal owner circumstance – Preventing them from bringing the property back into use
- Unable to trace owners/Absent Landlords – unwilling to engage with the process
- Keeping the property secure – empty properties are vulnerable to fly tipping, unlawful entry, arson and vandalism
- Intentional empty properties – home owner keeping them empty for personal reasons
- Landlord/owner engagement
- Intervening and reducing empty property numbers in concentrated private sector areas

# 12 Strategy Action Plan 2020-2025

The supporting Action Plan is attached at Appendix 1, this details the actions and interventions which the council will use to tackle empty homes, and the outcomes of outputs which will be achieved.

# 13 Governance and review

To ensure the delivery of the Empty Homes Strategy Action Plan, a robust governance structure will be put in place. An update regards the Action Plan will be produced and comparisons drawn against targets and achievements. This will be overseen by the Assistant Director for Housing and the Senior Housing Manager.

This will also serve as an opportunity to revise targets and update actions to reflect performance, housing market changes and changes in legislation and policy.

Supporting documents:

Building Research Establishment (BRE)

<https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants>

# Appendix one

Empty Homes Action Plan 2020-2025		
Overall strategic aim: To reduce the number of empty homes across the city by returning them back to sustainable occupation		
Actions	Outcomes	Output
Develop interventions and tool kit to tackle long-term empty properties	<p>Policy/procedure created to clarify the provision of advice and support to owners and landlords of empty properties</p> <ul style="list-style-type: none"> <li>Review website, marketing materials and promotional activity</li> <li>Deliver a Private Landlord Accreditation scheme</li> <li>Deliver Private Landlord forums to strengthen partnerships and offer advice and support to landlords</li> </ul>	<p>Increased level engagement with owners of empty homes and enquires via different communication routes</p> <p>Increased number of Accredited Landlords and training events</p> <p>Increased number of requests for enforcement service</p>
	<p>Engagement with local construction companies, developers and property owners to:</p> <ul style="list-style-type: none"> <li>Establish a database of reputable investors to assist property owners</li> <li>Identify empty homes.</li> </ul> <p>Purchase and deliver improvement work in partnership with the council</p>	<p>Bring back into use a minimum of 250 long term empty properties, 50 per year from 2020/21 to 2024/25</p>
	<p>Increased Enforcement Actions by utilising housing and council tax enforcement options</p> <p>Explore use of Compulsory Purchase Orders and Enforced Sale Procedure</p> <p>Utilise Section 125 under the Town and Country Planning Act 1990 to encourage owners to take responsibility in managing and maintaining empty properties</p>	<p>Number of properties that have been subject to enforcement activities</p> <p>Number of owners contacted under the Town &amp; Country Planning Act</p> <p>Level of enforcement activity under Town &amp; Country Planning Act</p>
Maximise use of empty properties to increase the supply of decent affordable homes	<p>Work with housing partners to purchase or lease (long-term) empty properties and return to use as quality homes</p> <p>Identify, acquire and refurbish properties</p> <p>Improve web-based advice and practical support</p> <p>Explore links with Together for Children, Adult Services and Homeless service for use of empty properties</p>	<p>Number of empty properties returned to use as homes through acquisition and lease</p> <p>Number of empty properties leased or acquired by 'others' i.e Homeless team, Together for Children, SCAS</p>

Actions	Outcomes	Output
<p>Create sustainable neighbourhoods by improving housing standards</p>	<p>Identify target areas for interventions within the wider renewal areas                      Offer incentives such as: Loans (6 months+) and grants (2 years+) to owners/landlords of long-term empty properties                      Review Financial Assistance Policy (FAP) to align with future plans                      Review and agree loan &amp; grant amounts offered                      Develop effective partnerships with key stakeholders</p>	<p>Number of properties identified for intervention                      Number of loans granted                      Number of grants approved                      Number of properties affected by CTAX premium</p>
<p>Continue to monitor the number and location of empty properties across the city</p>	<p>Develop a robust monitoring system                      Analyse data effectively utilising council intelligence                      Identify target areas for intervention                      Take appropriate intervention and enforcement action</p>	<p>Knowledge and Intelligence gained to:</p> <ul style="list-style-type: none"> <li>● target actions accordingly</li> <li>● Intervene in priority areas</li> <li>● Understand the citywide picture of empty properties</li> <li>● Improve internal information sharing</li> </ul>









