ROYAL BOROUGH OF KINGSTON UPON THAMES

EMPTY PROPERTY STRATEGY
2014 – 2017
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1. INTRODUCTION
Kingston Council’s Empty Property Strategy is an important element of the Council’s overarching Housing Strategy along with other Strategies and policies for preventing homelessness, allocations and tenancies and private sector housing.

“For every two families needing a home, there’s a property standing empty - properties that, all too often, attract squatters, vandalism and fly-tipping.”
Communities Minister Andrew Stunell.

1.1. What is an empty property?
An empty property is an existing or potential residential dwelling that has been left empty and unoccupied for at least 6 months.
The Council usually takes action to bring residential properties that have been empty for 6 months or longer back into use.

1.2. Why do properties become empty?
The majority of empty properties in the Borough, 86% as of the 1st April 2013, are privately owned.
Many are empty following the death of the owner or as a result of the owner moving away. In a number of cases the owner lacks the funds or the skills to repair and manage the property to bring it back into occupation. There are however, a number of owners who express no desire to bring the property back into use and are willing to allow it to remain empty.

1.3. Benefits of bringing empty properties back into use
Taking targeted action to bring empty homes back into use helps tackle a number of social, economic and public health issues.

The following benefits flow from bringing empty homes back into use:-

1.3.1. For the Owner
• If sold the owner will receive capital income.
• If let on the rented market, the owner would receive a regular monthly income.
• Reduces the risk of vandalism, squatters, and other crime.
• Reduces the long term maintenance costs by ensuring any faults are quickly repaired.
1.3.2. For people who need a home

- Increases the available decent homes within the Borough.

Since 2010 the Royal Borough of Kingston-upon-Thames has returned over 800 empty properties back into use

- There are 432 households in temporary accommodation within the Royal Borough of Kingston-upon-Thames and although there is no guarantee that every long term empty property brought back into use will lead to an equivalent reduction in households in temporary accommodation, the Property Inspection Team uses Empty Property Grants where possible to ensure that there is a direct correlation.
- If secured through an empty property grant the provision of at least 5 years of affordable housing and as a result taking households out of temporary accommodation and the associated uncertainty and instability of such accommodation.

1.3.3. For Local Residents

- Significantly reduce the probability of related issues:–
  - Squatters
  - Break-ins, vandalism and or looting of materials
  - Arson
  - Structural collapse
  - Overgrown gardens attracting vermin such as disease carrying rats.
  - A reduction in value of the neighbouring properties.

The Royal Institution of Chartered Surveyors (RICS) states that an empty property reduces the market value of adjoining properties by up to 18%.

  - Fly tipping

1.3.4. For the Council

There are significant incentives to the Council in bringing empty properties back into use including:–

- **Council Tax** – currently the Council is owed in excess of £128,000 of Council Tax directly related to long term empty properties.

It is estimated that the reduction in empty properties achieved by the Royal Borough of Kingston since 2009 has resulted in additional Council Tax revenue in excess of £1.7 million

- **New Homes Bonus** – For every property brought back into use the Government gives the Council £8,763 over a six-year period
Since 2011 the Royal Borough of Kingston-upon-Thames has received £4,096,300 in New Homes Bonus from Central Government due to its success in bringing empty properties back into use.

- **Affordable housing** – for every household homed via the return to use of a long term empty property the Council reduces its temporary accommodation costs by an average of £8,000 per year.
- **Complaints** - Reduces related complaints and as such demands on Council Services.

1.3.5. **For the Local Economy**
- Bringing an empty home back into use encourages economic vitality and is likely to increase spending in the local economy.
- Unsightly homes deter investment in an area and can lead to decline or area blight.

1.3.6. **For the Wider Community**
- Removing the negative impact of empty properties helps to boost the well-being of communities.
- It reduces demands on services such as the Police, Fire and Rescue and Council services such as Environmental Health freeing up resources for priority use elsewhere.
2. POLICY CONTEXT

2.1. Why have an Empty Property Strategy?

Table 1: Number of Long Term Empty Properties within the Royal; Borough of Kinston by Year from 2009 to 2013

As shown in Table 1 above the Council has delivered some excellent results over the last 4 years, reducing the number of long term empty properties by over 70%, from over 1100 to 318, however there continues to be a core of long term empty properties causing issues to our residents and partners whilst also being a waste of valuable housing resource that require further action.

By producing an Empty Homes Strategy the Council can show that it has a targeted, effective and coordinated approach to tackling the problem of these long term empty properties and that it has researched and identified the most effective solutions to help meet local housing need.

2.2. The National Policy Context

The Government has made tackling empty homes a priority within the Affordable Housing Programme with specific allocations targeted at bringing empty homes back into use.

Public concern about empty properties was highlighted by a 2012 Channel 4 series ‘The Great British Property Scandal’ focusing on empty properties. The series encouraged members of the public to report empty properties locally and the Channel 4 website provided links to key contacts at each Local Authority. Over 100,000 people have registered nationally to support the campaign.
There are currently 710,000 empty dwellings in England, according to the homes from empty homes statistics. Of these, 259,000 have been empty for more than 6 months. Empty homes account for approximately 3% of the total housing stock in England.

The National Planning Policy Framework encourages Councils to use their Compulsory Purchase Order (CPO) powers to bring empty properties back into use. It says

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

2.3. Government’s Empty Homes Strategy

The Government’s Strategy for empty homes is set out in ‘Laying the Foundations: A Housing Strategy’ published in 2011. It states that the Government is committed to bringing empty homes back into use as a means of increasing the overall supply of housing and reducing the negative impact that neglected empty homes can have on communities.


“Empty homes are a blight on local communities and a waste which we cannot afford. We need to harness this potential to meet pressing housing need.” (New Homes Bonus, Final Scheme Design, point 17).

Actions set out in the strategy are:

Awarding the New Homes Bonus for empty homes brought back into use. New Homes Bonus is paid to Local Authorities to match fund the Council Tax receipts for a period of six years (the level of funding is based on the national average for each Council Tax band).

Providing practical advice to help local authorities and local community groups, reduce empty homes.

Using £100 million of the Affordable Housing Programme to return empty properties (including non-residential properties) into use as affordable homes.

The Government has given Council Tax billing authorities the discretion to levy an ‘empty homes premium’ of up to 50% in addition to the normal Council Tax payable from 1 April 2013. The premium may be imposed once a property has remained vacant, that is unoccupied and substantially unfurnished, for two years.

The Government introduced the New Homes Bonus (NHB) scheme in April 2011 to encourage Local Authorities to build New Homes and return to use long term empty properties. Each long-term empty home brought back into use as a result of a local authority intervention earns the council six years’ council tax compared to what would happen if that home had remained empty.
For a band D property, where the national average band D council tax is £1,456 in 2013-14, £8,763 over the six-year period. If the re-occupied home is an affordable one, there is a further £350 per annum supplement, £2,100 over the six-year period.

To date the Royal Borough of Kingston-upon-Thames has received £4,096,300 in New Homes Bonus as detailed in Table 2 below approximately 65% of which is as a result of the reduction in empty properties with the rest being new development.

Table 2: New Homes Bonus received by the Royal Borough of Kingston-upon-Thames since 2011

<table>
<thead>
<tr>
<th>Cumulative payments</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payment for Year 1</td>
<td>£516,680</td>
<td>£516,680</td>
<td>£516,680</td>
<td>£516,680</td>
</tr>
<tr>
<td>Payment for Year 2</td>
<td>£879,634</td>
<td>£879,634</td>
<td>£879,634</td>
<td></td>
</tr>
<tr>
<td>Payment for Year 3</td>
<td>£786,997</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payment for Year 4</td>
<td></td>
<td></td>
<td></td>
<td>£614,499</td>
</tr>
<tr>
<td>Payment for Year 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payment for Year 6</td>
<td>£516,680</td>
<td>£1,396,314</td>
<td>£2,183,311</td>
<td>£2,797,810</td>
</tr>
</tbody>
</table>

2.4. Local Policy Context

Kingston’s Housing Strategy 2011 – 2015, Themes 4 & 7, seeks the reduction of private sector long term empty homes in the borough and aims to continually work in developing the South West London Sub Regional Strategy & Policies.

The South-West London Housing Strategy which has been jointly produced and agreed by the seven boroughs in the South-West London Sub-Region (Croydon, Kingston, Lambeth, Merton, Richmond, Sutton and Wandsworth) has five key priorities:

- Maximising the supply of housing
- Meeting housing need in the area
- Improving housing conditions
- Tackling deprivation and building communities
- Effective partnership working.

The Mayor of London’s London Housing Strategy, states:

- that Boroughs should complete and maintain an audit of long term empty homes
- there should be no discount on properties empty for longer than 6 months
- there should be an annual survey of boroughs’ policies on empty homes
- a fifth of people living near an empty property believe that the property attracts crime.
3. OPTIONS TO BRING PROPERTIES BACK INTO USE

There are a number of ways empty properties can be managed and brought back into use including:-

3.1. Advisory letters
The Council has 3 standard letters which are sent to owners of empty properties.

The first letter is sent as the property reaches 6 months empty and offers details of how the Council can help the owner to bring the property back into occupation and asking if there are any reasons why the property is empty and what the owner’s plans are. An “Empty Dwellings Questionnaire” is attached to make it simpler for the owner to complete and return.

The second letter reinforces the first letter and makes it clear that the Council does have enforcement powers to bring empty properties back into occupation. It requests the owner to make contact with the Council.

If the Council receives no response to the second letter the third letter sent is a more formal letter stating that the Council will consider enforcement action if no contact is made or action taken to return the property to use.

Approximately 70% of letters are responded to. Responses received which include:

- The property is for sale or recently sold
- The property is/or about to undergo renovation
- The owner wishes to receive advice about what to do with the empty property
- The owner is interested in an Empty Renovation Grant Scheme
- The property is actually occupied

3.2. Incentives
In partnership with the GLA and the South West London Region the Council operates an Empty Property Grants scheme.

A condition of the scheme is that the Council is granted 5 years tenancy nomination rights upon completion of the works.

The Empty Property Officer has secured nomination rights to 26 properties since the introduction of this scheme.

The average cost of a household in temporary accommodation is £8,000 per year
The New Homes Bonus is approximately £1,800 per year (includes affordable home bonus)
As such this equates to a financial benefit to the Council of £9,800 per year per property.

The maximum empty property grant is £25,000 of which the current GLA scheme provides £13,000 towards the funding of each grant.
As such the payback period for the Council is typically less than 15 months, and the total saving delivered over the minimum 5 year tenancy period is approximately £37,000 per property.

3.3. Enforcement
Housing, Environmental Health and Planning legislation enables the Council to require owners to carry out maintenance and or return to use long-term empty properties that have become dangerous or are causing a nuisance to neighbours.

3.3.1. Section 215 of the Town and Country Planning Act 1990 enables councils to serve a notice on an owner where the appearance of a property is detrimental to the neighbourhood requiring them to make improvements.

3.3.2. Environmental Health
The Council’s Property Inspection Team is able to serve notices on empty property owners if their properties are insecure or have issues with refuse or vermin.


These options enable the Council to manage the property to help prevent the dilapidation getting worse but in cases where a property remains empty for a significant length of time without good reason, the Council will consider a number of enforcement options to bring the property back into use. The options available include:

3.3.3. Enforced Sale
Enforced sale is a procedure for local authorities to recover a debt by forcing the sale of a property. In doing so it often brings the property back into use and is increasingly being used for this purpose.

Where a property has debts (owed to the Council) secured against it as a Local Land Charge, or Land Registry Caution, this may be considered an appropriate option.

In all cases the Council will first attempt to recover the debt informally, following the relevant procedure and if the debt is not cleared, a formal Notice (Section 103 Law of Property Act 1925) is served giving the owner a time period of 12 weeks in which to pay. If the Notice is not complied with the property can then be sold (normally at auction). The money from the sale (less costs) is then passed onto the owner.

Not all debts may be secured as a Local Land Charge or as a Land Registry Caution, the Council can instead apply to the County Court for an interim charging order. If successful, the Council may then apply for a final charging order to enforce the sale of the property.

3.3.4. Empty Dwelling Management Order (EDMO)
An EDMO allows the Council to take direct control of the management of the property. The Council is able to renovate the property, let it and collect the rent.
On making an EDMO the Council becomes responsible for the completion of any repairs required to bring the property into occupation. The Council is only able to recover those costs in so far as they are covered by rents and other charges.

The EDMO may last up to seven years but the Council may revoke the order if it considers it is appropriate to do so.

### 3.3.5. Compulsory Purchase Orders (CPOs)

The Housing Act 1985, section 17 allows the Local Authority to acquire under-used or ineffectively used property for residential purposes if there is a general housing need in the area. In addition section 226 of the Town and Country Planning Act 1990 (as amended by section 99 of the Planning and Compulsory Purchase Act 2004) allows Local Authorities to acquire land or buildings if acquisition will allow improvements or redevelopment to take place.

There are costs associated with use of compulsory purchase powers including compensation payments (only if no enforcement notice), legal fees, short-term management and marketing costs.

Compulsory purchasing a property can send a message to other owners of empty properties and may encourage them to bring them back in to use without RBK having to resort to enforcement action.

### 3.4. Council Tax

From April 2013 the Council has the discretionary power to impose a Council Tax premium of up to 50% for properties which have remained vacant for more than two years. The Council does not currently charge but has removed the discounts that were previously given for empty and second homes.
4. **Aim and Objectives**

4.1. **Strategic Aim**

The overall aim of this Strategy is to minimise the number of and issues related to empty properties in the Royal Borough of Kingston-upon-Thames through a range of measures that will, directly or indirectly, help return long-term private sector empty homes back into use where it is identified that assistance or, in a small minority of cases, formal intervention may be required.

4.2. **This Strategy will concentrate on five key objectives:**

1. Improve and maintain a comprehensive database of empty properties within the Borough
2. Raise public awareness of empty property as a wasted resource
3. Work with residents, local businesses and other partners to minimise the number of long term empty properties in the Borough
4. Improve the supply of decent affordable homes available to people in housing need
5. Use enforcement action where appropriate and in the Public interest

4.2.1. **Key Objective 1:** Improve and maintain a comprehensive database of empty properties within the Borough by:-

- Monitoring of Council Tax data and other similar information
- Investigation of properties reported or identified by Council officers whilst carrying out their duties or planned surveys.
- Making contact with at least 95% of potential empty property owners to confirm the property status
- Recording and maintaining all findings and reporting on these monthly

4.2.2. **Key Objective 2:** Raise awareness of empty property as a wasted resource by:-

- Publicising the risks and negatives associated with empty properties.
- Publicising successes and the benefits achieved
- Advising empty homes owners of the options available to bring their empty homes back into use and the benefits of doing so.
4.2.3. **Key Objective 3**: Work with residents, local businesses, Registered Providers and other partners to minimise the number of long term empty properties in the Borough by:-

- Targeting a reduction in long term empty properties of 15% per year for the next 3 years from the current position of 318

### Table 2: Targeted reduction in Long Term Empties over the next 3 years

<table>
<thead>
<tr>
<th>Year</th>
<th>Empties</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>350</td>
</tr>
<tr>
<td>2014</td>
<td>300</td>
</tr>
<tr>
<td>2015</td>
<td>250</td>
</tr>
<tr>
<td>2016</td>
<td>200</td>
</tr>
<tr>
<td>2017</td>
<td>150</td>
</tr>
</tbody>
</table>

- Encouraging local residents or businesses to report properties they suspect as being long term empties
- Advise owners of the range of options and incentives available including:-
  - The Empty Property Grant scheme
  - National Empty Homes Loans Fund
  - Vat reductions & Tax Benefits including:-
    - **2-Year Discount** - If you are bringing an empty dwelling back into use that has been empty for two years – reduced VAT rate of 5% for eligible repair and renovation works
    - **10-Year Discount** - If you are bringing an empty dwelling back into use that has been empty for more than ten years – reduced VAT rate of 0% for eligible repair and renovation works
    - **Flats over shops** - enables property owners and occupiers to claim up-front tax relief on the whole of their capital spending on the renovation or conversion of vacant or underused space above shops and commercial premises to provide flats for rent.
  - Any other Government initiatives that will help finance bringing empty homes back into use.

4.2.4. **Key Objective 4**: Improve the supply of decent affordable private sector rented homes available to people in housing need by:-

- Targeting to deliver 10 properties per year for the next 4 years
- Encourage owners of empty properties to bring them back into use and at the same time provide them as affordable homes through schemes such as the Council’s Empty Property Grant Scheme where;-
For a property to be eligible it must have been empty for at least 6 months and in need of repair
- Grants of up to £25,000 are offered for eligible works
- Rental is set at 10% below Local Housing Allowance rates for the type of accommodation.

4.2.5. **Key Objective 5**: Use enforcement action where appropriate and in the Public interest by;
- Exhausting all other avenues of bringing a long term empty property back into use before pursuing enforcement
- Ensuring that all necessary policies and procedures are in place and have been followed to allow enforcement
- Establishing the best enforcement option on a case by case basis and implementing the appropriate actions to

5. **Resources**
In order to successfully deliver the Empty Property Strategy, the Council will provide and utilise appropriate resources including the Empty Property Grant budget, available Government schemes, and external partners, including the South West London Housing Partnership.

An Empty Homes Enforcement Group will be set up, to include the Empty Property Officer and other Council Officers from Legal, Council Tax, the Property Inspection Team, Planning and Building Control.

This Empty Homes Enforcement Group will ensure that there are sufficient skills, knowledge and authorisations to enable the full spectrum of actions necessary to maximise the number of empty properties returned to use and the maximum benefit to the residents and businesses of the Borough.

6. **Monitoring the Strategy**
The delivery of this Strategy will be monitored though the Action Plan (Appendix A), that will be linked to the Community Housing Service Plan and the Property Inspection Team Plan.

The actions linked to each of the objectives will be monitored and reviewed monthly by the Community Housing Management Team.

Success will be determined by achievement of the objectives.
7. Appendix A – Action Plan

**Key Objective 1**: Improve and maintain a comprehensive database of empty properties within the Borough by:-

<table>
<thead>
<tr>
<th>Action</th>
<th>Target Date</th>
<th>Lead Section</th>
<th>Resources</th>
<th>Measurable Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monitoring Council Tax data and other info.</td>
<td>Ongoing</td>
<td>Empty Property Officer</td>
<td>Access to Council Tax database</td>
<td>Status known of all properties classified empty</td>
</tr>
<tr>
<td>Investigation of properties reported or identified</td>
<td>Ongoing</td>
<td>Empty Property Officer</td>
<td>Existing staff</td>
<td>Cross reference of ISIS referral system with empty database</td>
</tr>
<tr>
<td>Making contact with &gt; 95% of empty property owners to confirm property status</td>
<td>To attain 95% by 1st October 2014 and then maintain</td>
<td>Property Inspection Team</td>
<td>Existing staff</td>
<td>95% achieved by 1st October 2014 and checks made monthly to ensure maintained</td>
</tr>
<tr>
<td>Recording and maintaining all findings</td>
<td>Ongoing with Monthly reports</td>
<td>Empty Property Officer</td>
<td>Data entry system</td>
<td>Bi-annual checks</td>
</tr>
</tbody>
</table>

**Key Objective 2**: Raise awareness of empty property as a wasted resource by:-

<table>
<thead>
<tr>
<th>Action</th>
<th>Target Date</th>
<th>Lead Section</th>
<th>Resources</th>
<th>Measurable Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Publicising the risks and negatives of empty properties</td>
<td>Ongoing</td>
<td>Community Housing and Communication s</td>
<td>Existing staff, PR Team and funding</td>
<td>Two landlord events and two press releases per year</td>
</tr>
<tr>
<td>Publicising successes and benefits achieved</td>
<td>Ongoing</td>
<td>Community Housing and Communication s</td>
<td>Existing staff, PR Team and funding</td>
<td>Two landlord events and two press releases per year</td>
</tr>
<tr>
<td>Advising empty homes owners of options available</td>
<td>Ongoing with Monthly reports</td>
<td>Empty Property Officer</td>
<td>Existing staff</td>
<td>Records kept of contact made</td>
</tr>
</tbody>
</table>
**Key Objective 3**: Work with residents, local businesses, Registered Providers and other partners to minimise the number of long term empty properties in the Borough by:-

<table>
<thead>
<tr>
<th>Action</th>
<th>Target Date</th>
<th>Lead Section</th>
<th>Resources</th>
<th>Measurable Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>15% reduction in empty properties per year</td>
<td>Annually on the 1st April</td>
<td>Empty Property Officer and Council Tax</td>
<td>Existing staff</td>
<td>Achievement of 15% reduction in empty properties per year</td>
</tr>
<tr>
<td>Encouraging locals to report suspected empty properties</td>
<td>Ongoing with annual report on the 1st April</td>
<td>Community Housing and Communication s</td>
<td>Existing staff, PR Team and funding</td>
<td>Team target of a minimum of 10 referrals per year</td>
</tr>
<tr>
<td>Advising empty homes owners of options and incentives available</td>
<td>Ongoing with Monthly reports</td>
<td>Empty Property Officer</td>
<td>Existing staff</td>
<td>Records kept of contact made</td>
</tr>
</tbody>
</table>

**Key Objective 4**: Improve the supply of decent affordable private sector rented homes available to people in housing need by:-

<table>
<thead>
<tr>
<th>Action</th>
<th>Target Date</th>
<th>Lead Section</th>
<th>Resources</th>
<th>Measurable Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deliver 10 properties per year for next 4 years</td>
<td>Annually on the 1st April</td>
<td>Empty Property Officer</td>
<td>Existing staff and empty property grant funding</td>
<td>Achievement of 10 empty property grant completions per year</td>
</tr>
<tr>
<td>Encourage owners to take up empty property grant</td>
<td>Ongoing</td>
<td>Community Housing and Communication s</td>
<td>Existing staff and empty property grant funding</td>
<td>Achievement of 10 empty property grant completions per year</td>
</tr>
</tbody>
</table>

**Key Objective 5**: Use enforcement action where appropriate and in the Public interest by:-

<table>
<thead>
<tr>
<th>Action</th>
<th>Target Date</th>
<th>Lead Section</th>
<th>Resources</th>
<th>Measurable Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exhausting all other avenues prior to use of enforcement</td>
<td>Ongoing</td>
<td>Empty Property Officer</td>
<td>Existing staff</td>
<td>Enforcement to other option ration of &lt; 1:10</td>
</tr>
<tr>
<td>Ensure all policies and procedures are in place to enable enforcement</td>
<td>Ongoing</td>
<td>Property Inspection Team</td>
<td>Existing staff</td>
<td>Enforcement Policy and procedures signed off</td>
</tr>
<tr>
<td>Establishing best option on case by case basis</td>
<td>Ongoing</td>
<td>Property Inspection Team and Legal</td>
<td>Existing staff and working budget of £50,000</td>
<td>No successful appeals</td>
</tr>
</tbody>
</table>