LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE

CALL FOR VIEWS ON EMPTY HOMES IN SCOTLAND

SUBMISSION FROM FALKIRK COUNCIL

Background to Empty Homes in Falkirk

Falkirk Council currently has two officers who work on Empty Homes/Buy Backs. Work relating to Empty homes forms half their workload therefore one full time equivalent. We have had an empty homes officer working for the Council since 1st April 2013 when it was part of the Forth Valley shared services project. The Council has had a full time empty homes officer in post since July 2016.

The Falkirk Housing Need and Demand Assessment estimated the number of empty homes which would be brought into use each year and subtracted from the overall number of new homes required each year. This informed the housing supply target set in the Local Housing Strategy. There are two actions in the Falkirk LHS relating to empty homes which highlight the strategic priority of reducing the number of empty private properties and making best use of existing stock to help meet need and demand for housing.

There are around 700 long term empty private properties in Falkirk at any one time. Empty homes are defined as properties that have been empty for longer than 6 months. An Empty Homes Plan for 2014-2019 has been developed which emphasises the importance of working with owners to encourage them to bring their properties back into use. This plan will be reviewed during 2019 which links to actions in the LHS.

The Empty Homes Officer provides advice and assistance to help get properties back into occupation using the following tools:

- Leaflets – tailored to provide information for owners and providing details on how their property can be brought back into use
- Matchmaker Scheme – this is a list of potential buyers and sellers. When a “match” is identified contact details of the potential buyer and seller are shared
- VAT discount – Her Majesty’s Revenue and Customs (HMRC) incentive where an owner of a property empty for 2 years or more can apply for a letter to prove the property has been empty. If a property has been empty for two years, any renovation or alteration works carried out by a VAT registered trader may be eligible for a reduced VAT rate of 5%. If the property has been empty for ten years, the works may benefit from zero-rated VAT
- Empty Homes Loan Fund - Falkirk Council received £100,000 from the Scottish Government to provide interest free loans to owners of private properties to have renovation work carried out so that their empty property can be brought into use as affordable housing. Uptake has been low nationally and locally, however funding could be sought for any future policy initiatives
• Local Media – the work in relation to Empty Homes has been acknowledged in local and national papers as well as an interview on the BBC’s Reporting Scotland. Publicity increases the profile of the empty homes project locally
• Private landlord Forum - the Empty Homes Officer attends the bi-annual landlord forum meetings to actively engage with landlords to ensure empty properties are re-occupied
• Buy Backs – the Empty Homes Officer works in partnership with the Council’s Buy Backs team to identify properties that may be eligible for the scheme. There have been 10 empty properties brought back into use this way
• Work has been undertaken with the owners of 3 blocks of flats to ensure communal repairs are undertaken.

Table 1 sets out the number of properties brought back into use and debt recovered. This has been calculated using the Shelter approved methodology using a notional calculation of three months’ Council tax plus any unpaid debt owed to the Council recovered as a result of the project.

Table 1: Number of Empty properties brought back into use

<table>
<thead>
<tr>
<th>Year</th>
<th>No. brought back</th>
<th>Debt recovered</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-2014</td>
<td>45</td>
<td>£20,600</td>
</tr>
<tr>
<td>2014-2015</td>
<td>105</td>
<td>£63,169</td>
</tr>
<tr>
<td>2015-2016</td>
<td>90</td>
<td>£50,200</td>
</tr>
<tr>
<td>2016-2017</td>
<td>62</td>
<td>£1,808</td>
</tr>
<tr>
<td>2017-2018</td>
<td>50</td>
<td>£34,338</td>
</tr>
<tr>
<td>2018-2019</td>
<td>57</td>
<td>£37,925</td>
</tr>
<tr>
<td>Total</td>
<td>409</td>
<td>£208,040</td>
</tr>
</tbody>
</table>

Source: Falkirk Council Empty Homes Database

From 1st April 2013 new legislative changes were put in place to allow local authorities the discretionary power to remove the empty property discount or set a Council tax increase of 100% or more on certain properties which have been empty for one year or more. Approval was granted by Council Executive on the 27th September 2016 to increase Council tax by 100% on properties empty for more than 12 months, where appropriate. This came into operation from the 1st April 2017, with the Empty Homes Officer being a key resource to help owners return properties to use as soon as possible.

Falkirk Council has used compulsory purchase powers on two occasions in the past to return empty homes back into use.

Main Causes of empty Homes

The Empty Homes/ Buy Back Officers (here after referred to as Empty Homes Officers) gave consideration to their caseload and advised on the following.

There are many reasons why a property is empty and they include bereavement, struggling to finance repairs, lack of information or unsure about the end use, other
priorities and pressures, unsuccessful marketing, mental health issues and time restraints.

The Empty Homes Officers advise that many owners have inherited a property and have an emotional attachment to it and cannot face selling the property so need advice on a range of options. Additionally the Empty Homes Officers advise the importance of demonstrating compassion and understanding in dealing with owners who are overwhelmed with the emotional and often financial burden of owning an empty property.

Furthermore the Empty Homes Officers advise that some owners have mental health issues and require support to bring their empty property back into use on their own. Examples of this include owners who have diagnosed mental health illnesses including depression and particularly hoarding. The Officer can provide support and liaise with other agencies to provide further professional advice and support.

**Is this a problem that affects all housing tenures?**

No, mainly private owner occupied properties.

**Effect on the local community**

The Empty Homes Officers considered their case load and advised that empty homes can be a “blight on neighbourhoods”. Empty Homes can attract anti-social behaviour, vandalism and fly-tipping. High numbers of empty properties can lead to deterioration in the quality and appearance of neighbourhoods and result in higher incidences of crime and anti-social behaviour in surrounding areas. There is greater pressure on Council services to respond to neighbour complaints regarding dilapidated properties, community safety, and the management and investigation of anti-social behaviour.

Empty properties put occupied neighbouring homes at greater risk from criminal behaviour e.g. using an empty flat to gain access to burgle another flat. Benefits of bringing an empty property back into use include improved community safety, reduced vandalism, reduced fly tipping and a reduction in other forms of anti-social behaviour that empty homes can attract. In turn, the neighbourhoods become more desirable areas to live in and increases the housing supply in the area, ensuring there are more housing options available to people.

If an empty home is neglected it can become damp which may cause expensive damage to the fabric of the building. In addition it increases the risk of damage to adjoining properties through the spread of dampness, rot and infestation which can have a negative impact on the physical and mental health of people living next door to the empty property as well as cause a financial impact due to the need for repair work and value of their property reducing.

Overseas empty home owners can often be detached from the reality of the situation, and the empty homes officer is often a point of contact at a local level who can offer free impartial advice on how their property could be brought back into use.
The team work closely with Council Tax department, updating them on properties that are no longer empty to ensure the correct Council Tax code is applied and increase council tax revenue. Liaising with the debt recovery team has seen an increase in debt recovery and furthermore, an increase in debt agreements to ensure that outstanding Council Tax is accrued which has an impact on the funding available to pay for Council services in the local community.

**Problem for particular area**

Falkirk Council area does not have particular areas with more empty homes.

**Are you aware of any areas which have made progress in addressing the issue of empty homes and if so, what other local authorities could learn?**

There are a number of local authorities that have their own empty homes officer and they are the areas where progress is being made as having a dedicated empty homes officer is central to tackling empty homes effectively. In addition to Falkirk, these areas include Perth & Kinross, Stirling, Argyll and Bute, Angus, South Ayrshire.

**How effective are current tools open to local authorities/central government to deal with empty homes? Should they have more powers?**

Current enforcement powers are limited, mainly Compulsory Purchase Orders (CPOs). The 2016 Programme for Government committed Scottish Government to introduce “interim measures to modernise CPO in advance of legislation”. This step as well as the commitment to bring in new Compulsory Sale Order (CSO) powers by 2021, is a positive move to provide officers with options and tools, when dealing with an empty home that causes a blight on the community.

Although Councils have CPO powers available to them and the Government have tried to streamline the process one of the main issues that Councils have with CPOs is that due to budget cuts staff resources are really stretched which means staff have very little time to be able to pull together the paperwork for a CPO due to competing work priorities. There are also budgetary issues for other enforcement work that is linked to empty properties such as works notices. The Council may be able to serve a notice but a lot of the time there isn’t a budget to ensure the work gets carried out and the owner is billed.

**Should there be more enforcement powers for local authorities/central government to deal with the issue? If so, what could these be?**

Not any enforcement powers but some funding. Loans or grants should be available to fund repairs and renovations including energy efficiency measures or a loan to occupy.

**Is there enough information/data to provide an accurate picture of empty homes in Scotland? If not, how could this be improved?**
We use Council tax records which are provided on a regular basis by the Council’s Finance team. This provides information on the empty property and also contacts details for the owner. We also get information on empty properties from enquiries by Council Members, neighbours etc. There is information on empty homes on the Council’s website with the phone number and email address of the team so that people can report any empty properties.