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| SUBJECT: | EMPTY HOMES UPDATE |
| MEETING: | PEOPLE SCRUTINY COMMITTEE |
| DATE: | 16th APRIL 2024 |
| DIVISION/WARDS AFFECTED: | ALL |

1. PURPOSE

- 1.1 To provide an update on the Council's approach to reducing the number of long-term empty homes (e.g. empty 12 months or more) in Monmouthshire. This report focuses on residential homes and doesn't take into account empty properties in general, such as commercial or retail premises.

2. RECOMMENDATIONS

- 2.1 To consider and comment on the Council's approach to tackle empty homes.

3. KEY ISSUES

- 3.1 At 1st April 2023, there were 541 long-term empty homes (which included a number that had been empty between 6 and 12 months) recorded in Monmouthshire. Empty homes are a wasted resource to both owners and the local community. If left to deteriorate, empty homes can impact detrimentally on the local environment due to issues such as vandalism. Fortunately, this is less of an issue in Monmouthshire. Of more relevance, however, is empty homes are a loss to the local stock of available homes at a time of high levels of housing need in the County as they could be sold or rented. At 1st January 2024, there were 3723 households on the Homesearch Housing Register, of which 263 were homeless households.
- 3.2 There are a variety of reasons why properties can be empty including:
- Owners may be trying to sell the property, possibly following a bereavement, and could be waiting for market conditions to change,
 - Owners may have sentimental reasons to keep hold of a property,
 - Owners may not be known,
 - Properties may require renovations as in poor condition and some owners may not have the financial ability to carry out the works,
 - Properties may be part of a legal transaction or in the process of being repossessed.
 - Property could be attached to commercial premises.
- 3.3. For owners, an empty home means a depreciation in value or a lack of rental income.
- 3.4 Returning empty homes is, therefore, a priority for both Welsh Government and the Council. The Council's empty homes 'toolkit' sits across several teams within the Council and is delivered through a multi-strand approach. The approach essentially seeks to positively engage with owners to offer advice and support to owners to help and encourage owners to bring their home back into use. However, if necessary and as a last resort the Council is able to apply more formal mechanisms to owners and properties. The 'toolkit' is co-ordinated through Housing & Communities and Council Tax; Environmental Health; Building Control and Planning Services also have a relevant role.
- 3.5 General owner engagement, information and advice is delivered through Housing & Communities and the Housing Options Team, who promote and co-ordinate access to the following potential options and incentives for owners:

- **Rental** – the Council can potentially provide financial assistance to landlords if they help prevent homelessness through the Council’s Homeless Prevention Fund or Discretionary Homeless Prevention Grant.
- **Leasing** – as temporary homeless accommodation under a lease arrangement to the Council and the Monmouthshire Lettings arrangement.
- **Long-term Leasing** – as temporary homeless accommodation under the Welsh Government Leasing Scheme Wales initiative, which offers financial incentives including an empty homes grant of up to £25,000. This is also promoted under Monmouthshire Lettings. Owners must be willing to lease at Local Housing Allowance levels.
- **Empty Homes Grants** – available up to £25,000 to help renovate properties for owners wanting to move in as their principal home.
- **Home Improvement Loans (interest free)** – Welsh Government funding delivered through Robert Owen Community Banking
- **Empty Homes Loans (interest free)** - through Robert Owen Community Banking
- **Purchase by a housing association** - or in exceptional circumstances purchase by the Council, both subject to conditions,

3.6 Environmental Health will also provide advice and assistance to empty home owners.

3.7 In addition, the Council also implements the following:

- A Council Tax empty homes premium chargeable for properties empty for over one year. The sliding scale for the Council Tax Premium implemented from April 2024 for long term empty properties is:

| Property type | Year 1 | Year 2 | Year 3 & over |
|-----------------|--------|--------|---------------|
| Long-term empty | 100% | 200% | 300% |

- A range of enforcement powers are available to the Council if negotiation with owners fails and there is a need to secure improvement of properties for properties that are assessed as a problem with condition. For example:
 - S. 215, Town & Country Planning Act 1990 (adverse affecting amenity)
 - S77-79 Building Act 1984 (dangerous structures & ruinous and dilapidated)
 - S.79/80 Environmental Protection Act 1990 (statutory nuisance)
 - S.4 Prevention of Damage by Pests Act 1949 (harbourage & treatment of pests)

3.8 The Council’s approach to empty to homes has successfully reduced the number of recorded long-term empty homes from 541 to 447 as at the 2024/25 billing stage. Of these 366 have been empty for 12 months plus. It is important to note that whilst the Council’s records show an improvement in the number of empty homes, it is likely some of the properties previously recorded as empty were actually occupied.

3.9 The following provides an overview of the engagement undertaken with owners:

| Engagement with Owners | 2022/23 | 2023/24 to Q3 |
|---|----------------|----------------------|
| Letter advising of the new Empty Home’s Grant | 408 | n/a |
| Letter on pending Council Tax Premium from Council Tax (owners signposted to Housing for support) | Jan 23 | Oct 23 |

| | | |
|---|-----|-----|
| No of targeted Letter 1 - from Housing) | n/a | 316 |
| No of targeted letters (letter 2 from Housing) | n/a | 154 |
| Total number of replies to targeted Letter 1 & 2 | n/a | 149 |
| No of empty properties with owner not found | n/a | 9 |
| No of applications for Empty Homes Grant | - | 36 |
| No of Lease enquiries received | - | 4 |
| No. of loan applications received | - | 0 |
| Referrals/Intervention of Env Health, Building Control or Planning due to poor property condition | - | 19 |

3.10 The table below highlights the response detail provided from those empty homeowners who have responded by telephone, email, or completion of the empty home questionnaire.

| Response Detail | 23/24 |
|--|--------------|
| Property being renovated | 41 |
| Moving into/moved into property | 17 |
| Property will be or is on the market | 20 |
| Property available for letting | 8 |
| Property has been sold | 29 |
| Property is not empty | 45 |
| Property has been demolished | 0 |
| Owner not identified | 9 |
| No longer responsible for property | 1 |
| No further action can be taken | 3 |
| Owner cannot afford to repair | 8 |
| Awaiting Probate or other legal difficulties | 12 |
| Property being used as a second home/holiday let | 10 |
| Acquired property via inheritance/gift | 5 |
| No longer registered as empty | 30 |

3.11 Further to above, all of the aforementioned 366 long-term empty homes and from 1st April 2024 the Empty Homes Council Tax Premium of 100%, 200% or 300% has been charged, subject to how long they have been empty. Anecdotally, one estate agency has advised the Council they are currently seeing an increase in empty home-owners putting their property up for sale.

3.12 As yet, no enforcement action has been taken by the Council, but there are four particular empty properties that are in very poor condition and are having a detrimental environmental

impact. These are being assessed to determine whether enforcement is an option. In the meantime, the Council will continue to try to engage with the owners to seek a positive resolution.

3.13 The next step is to continue to engage regularly with empty home owners.

4. EQUALITY AND FUTURE GENERATIONS EVALUATION (INCLUDES SOCIAL JUSTICE, SAFEGUARDING AND CORPORATE PARENTING):

4.1 The evaluation has identified that in seeking to tackle empty homes, there is potential for there to be a negative impact on some owners. **See Appendix.** For example, owners who may possibly be older, disabled and/or vulnerable, who may have become the owner following a bereavement. The Council will mitigate against any negative impact through a sensitive and supportive approach that will consider each case on its individual its circumstances.

5. OPTIONS APPRAISAL

5.1 The following options are available:

| Option | Benefit | Risk | Comment |
|---|---|--|--|
| Option 1: To engage with empty property owners, but potentially take further action against owners who don't address their empty property. | <p>Empty properties come back into use helping.</p> <p>This supports Welsh Government and their expectation that the Council.</p> <p>Should it be needed, Welsh Government will support the Council through their 'empty homes expert.'</p> | <p>The Council could experience reputational damage.</p> <p>There will be resource implications that the Council may need to consider eg identify funding.</p> | It is important that the Council take a sensitive and sensible approach recognising that there are a wide range of reasons for empty homes and that some owners may be vulnerable. |
| Option 2: To engage with empty home owners but not to take further action. | The Council is less likely to bring empty homes back into use. | This is wouldn't align with Welsh Government expectation. | It is important that the Council take a sensitive and sensible approach recognising that there are a wide range of reasons for empty homes and that some owners may be vulnerable. |
| Option 3: To not engage with empty home owners and not take further action. | This would not deliver any benefits. | This wouldn't align with Welsh Government expectation | |

6. REASONS

6.1 Tackling empty homes is a priority of both the Council and Welsh Government.

7. RESOURCE IMPLICATIONS

There are resource implications associated with tackling empty homes and the implementation of the Council's 'toolkit.'

- General day to day engagement and the provision of advice and assistance will be facilitated through the existing service/team resources and budgets. For example, how to rent out directly or potentially through the Monmouthshire Letting Service.
- The Council can facilitate access to the following funding for owners:
 - Welsh Government Empty Homes Grant
 - Welsh Government Home Improvement Loan and Grant.
 - Welsh Government Leasing Scheme Wales - Capital Grant
- Should housing associations (or the Council) identify an empty home for possible acquisition, Welsh Government Social Housing Grant or Transitional Accommodation Capital Programme can be accessed subject to certain Welsh Government standards being met.

8. **CONSULTEES:** Cabinet Member for Planning & Economic Development Deputy Leader, Chief Officer – Communities and Place; Head of Rural development, Housing and Partnerships; Senior Accommodation Development Officer. Head of Planning; Building Control Manager; Principal Environmental Health Officer; Specialist Environmental Health Officer; Regeneration Manager; Solicitor & Head of Commercial Law; Development Management Area Team Manager

9. **BACKGROUND PAPERS:** None

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