

Housing, Homelessness and Fair Work Committee

10.00am, Thursday, 14 January 2021

Empty Homes Update

Executive/routine Wards Council Commitments	Routine All
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1. Recommendations

- 1.1 The Housing, Homelessness and Fair Work Committee is asked to note the annual update on private sector empty homes, which focuses on the work being undertaken by the Council's Empty Homes Officer (EHO).

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Report

Empty Homes Update

2. Executive Summary

- 2.1 This report outlines the approach to bringing private sector empty homes back into use, focusing on the work of the Empty Homes Officer (EHO) who was recruited in October 2019.
- 2.2 The EHO has focused on reviewing and managing the empty homes case work and improving monitoring and reporting procedures. The EHO has also been providing advice and information to owners and developing relationships with colleagues in other service areas. This has been particularly successful in relation to joint work with Debt Recovery and Council Tax/Transactions teams.

3. Background

- 3.1 At its meeting of [21 February 2019](#), Council gave approval to part fund a pilot EHO post, for up to two years, on the assumption that match funding was provided by the Scottish Empty Homes Partnership (SEHP). This funding has been secured.
- 3.2 A dedicated EHO was recruited in late October 2019. The officer is based in Regulatory Services within the Place Directorate. Key outcomes have been agreed with the SEHP to monitor the success of the post and review meetings are held to monitor progress.
- 3.3 A Business Bulletin update on private sector empty homes was provided to Housing, Homelessness and Fair Work Committee on [20 January 2020](#), with a commitment to provide a further update on outcomes relating to the work of the EHO.

4. Main report

- 4.1 The EHO is in regular contact with the SEHP team to update them on empty homes work in Edinburgh and is a member of the Empty Homes Network, facilitated by the SEHP. Being part of this network has enabled the EHO to enhance their knowledge of the role, adopt best practice used elsewhere in managing empty homes cases and keep the SEHP and other network members informed about the work on-going in Edinburgh.

Debt Recovery

- 4.2 Significant progress has been made by the EHO working closely with the Council's Debt Recovery team. By doing so, details of owners of long-term empty homes who have failed to pay their Council Tax has been shared:
- 4.2.1 In one case this has resulted in a £16,000 payment being received from the owner of a property which has been empty for a number of years. The owner of the property is now looking at their options for bringing it back into use and the EHO will continue to manage the case; and
- 4.2.2 In two other long-term empty homes cases, the Debt Recovery team are pursuing debts of £40,000 and £28,000 based on information provided by the EHO. In both these cases the owners of the properties are refusing to co-operate with the EHO (who is trying to advise them on bringing the homes back into use). In difficult cases such as these, pursuing owners through debt recovery mechanisms may be the best route to unlocking the empty home and, if successful, could be more cost effective and quicker than pursuing a Compulsory Purchase Order (CPO).
- 4.3 The EHO is also working closely with Council Tax/Transactions teams and has provided them with data on a number of long-term empty properties where the 100% Council Tax premium had not been applied. As a result of this the Council Tax/Transactions teams have been able to reclaim debts of £42,000 from the owners of four empty homes. In all four cases the EHO has provided advice and guidance to the owners on how to bring these homes back into use.

Empty Homes Cases

- 4.4 On taking up the post the EHO reviewed the 75 existing empty homes cases which were being managed by the Private Rented Enforcement Officers. Of these 75 cases, 13 have been brought back into use. The others, which include some complex long-term cases, continue to be monitored.
- 4.5 The EHO also deals with enquiries and concerns received from members of the public about empty homes. In these cases, the EHO will try to establish who owns the property and contact the owner to offer advice and encourage them to bring their property back into use.
- 4.6 Since October 2019 the EHO has received 140 enquiries concerning properties which are empty. Since then 17 properties have been brought back into use. It should be noted that not all the homes reported become active cases as further investigation can uncover that they are not empty or are a Council home waiting to be re-let for example.
- 4.7 Assistance is often required from other Council service areas or partner agencies to help identify the owner of an empty home and the EHO can also assist other service areas in doing the same. The EHO has built up relationships with the Assessors, Edinburgh Shared Repairs Service, Pest Control, Environmental Health and other internal teams to support the empty homes work and increase awareness

of the service provided, encouraging colleagues to report empty homes they encounter in their work.

- 4.8 The EHO has developed an improved information recording and monitoring system for empty homes enquiries and cases which will help reporting going forward as the information being collated is now aligned with the SEHP annual reporting data requests.
- 4.9 The ability of the EHO to actively investigate cases in person has been curtailed due to Covid-19 restrictions. However, they have been able to carry out initial enquiries into the empty homes being reported during this time.
- 4.10 Council Tax data shows that the number of properties in Edinburgh which have been empty for over a year and are subject to the 100% Council Tax premium at 31 October 2019 was 1,377. In October 2020 this had increased to 1,593.
- 4.11 However, at 31 March 2020 the figure was 1,450 indicating that the majority of the increase within the last year has occurred since the outbreak of the Covid-19 pandemic. This is likely to be due to the lack of activity in the housing market over this time. Court closures will also have delayed progress in dealing with properties where the owner is deceased for example.

Support for Property Owners

- 4.12 Since the end of lockdown and the re-opening of the housing market, the EHO has received several requests for VAT reduction entitlement letters and for information on the merchant discounts available through the SEHP discount scheme. These schemes can support owners to bring homes back into use where repair and refurbishment work is being undertaken, by reducing the cost of the work. The EHO is continuing to monitor these properties to establish when they have been brought back in to use.
- 4.13 One example of this type of support relates to a long-term empty homes case which was repossessed by a bank and sold on the open market. The EHO has helped the new owner to claim a VAT reduction and merchant discounts to help reduce the costs of the refurbishment work. The EHO also acted as an intermediary between the owner and a utility company as the owner had been finding it very difficult to get services connected. Work is now well underway on the property.

Website

- 4.14 The empty homes information on the Council website is being updated. The website already has a link to an online form for reporting an empty property but a dedicated email address has also been created to enable the EHO to be contacted directly.

5. Next Steps

- 5.1 The EHO will continue to focus on case work, providing advice and information to owners of empty homes and joint work with other Council teams which can help to recover debt and bring in Council Tax income.
- 5.2 In 2021, the EHO is intending to develop a system to proactively contact owners as their property becomes subject to the 100% Council Tax premium (applied to homes empty for over a year). Owners will be encouraged to bring their property back into use to prevent the property falling into disrepair and to contact the EHO for further advice.
- 5.3 The EHO has also had initial discussions with colleagues in the Council's Homelessness Service to explore ways in which the empty homes work could help support priorities in relation to homelessness. As part of the general advice/information provided to empty home owners, the Private Sector Leasing (PSL) scheme is included as an option to help bring a home back into use. The EHO will work with the homelessness team to look at how this option is promoted and to explore other ways in which they can work together.
- 5.4 The CPO work referred to in previous report has been on hold over the last few months as case work has been prioritised and court work has been impacted by Covid-19. The potential CPO option for long-term problematic cases will be revisited at an appropriate time, but the EHO will continue to pursue alternative routes to unlock long term empty homes, such as through debt recovery mechanisms. Progressing CPOs would also require approval from Finance and Resources Committee due to the upfront costs attached to the process.

6. Financial impact

- 6.1 The post was approved as a pilot for up to two years, jointly funded by the Council and the SEHP.
- 6.2 A business case to mainstream the post would require to be approved by Finance and Resources Committee as part of 2022/23 budget.
- 6.3 As noted in 4.2 and 4.3 of the main report, the EHO is working closely with colleagues in the Transactions and Debt Recovery teams to share information and align records. This has generated, and will continue to generate, income through application of the Council Tax Premium for example.
- 6.4 The SEHP [Empty Homes Value Tool](#) sets out the wider impact and value for money of bringing empty homes back into use. The Value Tool takes into account the benefits to a community from having a property occupied, the savings achieved in comparison to meeting housing demand through new build, as well as the cost savings to the owner and the costs of dealing with wider social impacts of empty properties.

- 6.5 Leaving a home empty costs money and loses money for the owner, and the Council. This is money that could be being spent in the local economy, generating further additional expenditure as a result. It estimates the cost of leaving a two to three bed property empty is between £8,638 and £10,438 (rent loss, maintenance, insurance and Council Tax). Bringing an empty home back into use can also help prevent reactive spend associated with addressing anti-social behaviour and have a positive impact on the value of neighbouring homes. Also, the sooner an empty property is brought back into use the sooner council tax revenue is collected from new owners and the new owners are making an earlier contribution to the local economy.

7. Stakeholder/Community Impact

- 7.1 Bringing long-term empty homes back into use has a positive impact on communities by improving neighbourhood amenity and reducing the risk of vandalism or anti-social behaviour.
- 7.2 The EHO continues to work closely with colleagues in debt recovery (on empty homes and bringing in additional income through proactively identifying long-term empty homes where the 100% Council Tax premium can be applied), and with Edinburgh Shared Repairs Service (helping to find owners and engage them shared repairs cases).
- 7.3 A number of empty home owners have provided positive feedback on advice received from the EHO on complex Council Tax and VAT reduction queries relating to empty homes they have purchased to refurbish and bring back into use.

8. Background reading/external references

- 8.1 None.

9. Appendices

- 9.1 None.