

## Scrutiny Review of Empty Properties and Private Landlords Summary of information gathered (by 23<sup>rd</sup> September)

### A. BRINGING EMPTY PROPERTIES BACK INTO USE

1. **Kent Count Council (KCC presentation)** - “No Use Empty” loan scheme for owners for properties sold or let on completion. Application fee charged.

2. **LGA “Empty Homes”**

The report makes a number of recommendations to central government about reducing bureaucracy around enforcement and devolving more powers to local level.

#### Case studies – bringing empties back into use

Ipswich	<ul style="list-style-type: none"> <li>• Council Tax levers i.e. removing discounts (TWC has done this)</li> <li>• Empty Homes Toolkit including grants for landlords, and First Time Buyers Empty Homes Grant to fund works on properties empty for 12 months or more.</li> <li>• Estate Agency Discount Scheme, offering reduced fees for empty home owners and free submission to auction.</li> </ul>
Cornwall/Leeds	Council Tax levers (removal of discounts)
Birmingham	CPO
Reading	Example of using advice & guidance (empty inherited house brought to sale)
York	Empty property loan conditional on letting for 5 years through Council social lettings agency
Kent	No Use Empty (see 1. above)
Enfield	Up to £25k renovation grants funded through NHB for properties let for 5 years through approved housing association
Sheffield	Leasing and purchasing options for empty property owners
Stoke	Regeneration scheme funded by council and government to revamp empty council-owned properties in disrepair – sale to local residents for £1 with repayment of costs over time.

#### Case Studies - working with housing associations and voluntary sector

Croydon	Social enterprise for refurbishment of empties by local tradesmen with work placements for people living in disadvantaged areas.
Rochdale	Groundwork housing refurbishment programme – skills, training, qualifications for trainees
Exeter	HCA funding to bring 15 properties back into use, working with a housing association and a partner providing training/volunteering opportunities to homeless people.
Redcar & Cleveland	Social enterprise to turn empties into affordable housing. Provide training/apprenticeships for young unemployed.
Plymouth	Empty Property Sale Procedure – process to connect empty property owners with developers. Sealed bid process, 2-3 weeks, owner pays no fee.

### Case studies – enforcement

Report includes recommendations to government to streamline legislation and devolve more powers to local level.

Enfield	CPO – 27 approved, most returned to use without running full course of CPO. 8 went through to the end, 7 of which now occupied.
Swansea	Example of enforced sale
Swale	Example of EDMO (only 43 authorised nationally from 2006-11). This was before the change requiring a property to be empty for 2 years (from 6 months) for EDMO.

### Case studies – resources

Main sources of funding are Empty Homes Premium (Council Tax), use of New Homes Bonus and Empty Homes funding (mainly allocated via HCA but issue with length of time to secure).

Derby	Twin track approach – a) focus on empties that attract NHB b) empties that cause most blight/ASB but not eligible for NHB. NHB top sliced to support empties work to generate more NHB and debt recovery.
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### 3. Stockton Scrutiny Review of Empty / Abandoned properties – recommendations:

- Invest to save business case to increase staff resources
- Prioritisation of empties (over 6 months) to focus use of resources (score card)
- Increased publicity of successes
- Business case for contingency fund to cover cost of work in default – recovered costs recycled through contingency pot.
- Use of Enforced Sales procedure to recover debts in excess of £1000

### 4. Stockton Housing supplementary documents

- a) 4 case studies of bringing empties back to use including EDMOs – show use of different powers and interventions, complexities/problems, time scales etc.
- b) Process for dealing with empties (flow chart)
- c) Costs of dealing with empties (composite)
- d) Cost of empties to Council
- e) Priority Scoring Assessment (to prioritise empties for action/resources – top 15 on database)
- f) Summary of enforcement powers
- g) Costs of empty homes scheme
- h) List of interventions and outcomes (reporting/monitoring?)

### 5. **Empty Homes Network** – Good Practice Standard for Local Authorities

## **B. TACKLING ROGUE LANDLORDS / LANDLORD ACCREDITATION SCHEMES**

### 6. Shelter - recommended minimum standards for landlord accreditation schemes.

### 7. LGIU “House Proud”

The report makes recommendations to central government:

- reduce red tape to give local authorities more flexibility on selective licensing, recouping enforcement costs and compulsory accreditation
  - improve data and sharing best practice
- and to Councils:
- Encourage self-regulation by landlords
  - Empowering tenants
  - Using local business and community networks to increase reporting of criminality
  - Strong political leadership

#### Case studies

Newham	Compulsory PRS licensing. Scheme cost £7m, aims to be self-funding.
Southend-on-Sea	SEAL – landlord/agent-led voluntary accreditation scheme. PRS work together to self-regulate and raise standards to avoid compulsory licensing. Window sticker campaign. SEAL reports directly to scrutiny committee.
York City	Two tiered accreditation process to address property condition especially electrical safety (YorProperty Plus)
Liverpool	Ten Point Pledge for PRS. Includes “Liverpool Standard”, voluntary registration, incentives, access to funding for accredited landlords, web-based “Know Your Landlord”, landlords advisory panel, rogue landlords hit squad.
Lewisham	Private Sector Housing Agency – brings teams from Housing Rights, Temporary Accommodation and Environmental Health together – single point of contact.
Bristol City	Regional approach to PRS – landlord panel to advise on strategy Selective licensing in specific geographical area (can only be used on strong evidence of ASB)
Leeds	Created Housing Regulation Team. Successful prosecutions. Did use selective licensing, but now take neighbourhood approach street by street.
Norwich	Working group with landlords, Shelter, ARLA and University – focus on specific issues to inform Council policy Also campaign to improve tenants’ rights
Mayor of London	London Rental Standard – single badge of accreditation conditional on training/monitoring etc.
Identifying empties	Newham – Local Land & Property Gazetteer, CT, housing benefit, complaints about overflowing bins. Bristol – cross reference CT, housing benefit and complaints about ASB Norwich – Stock Condition Survey (expensive labour intensive!)

#### 8. Regional Scrutiny Chairs’ meeting

Sandwell	<ul style="list-style-type: none"> <li>• Landlords Forum with accreditation scheme</li> <li>• Private sector leasing scheme – landlord leases long-term to Council in return for lower rent (below LHA rate). Landlords charged a</li> </ul>
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	<p>registration and management fee.</p> <ul style="list-style-type: none"> <li>• Naming and shaming bad landlords</li> <li>• Registration scheme pilot</li> </ul> <p>Also:</p> <ul style="list-style-type: none"> <li>• Mortgage lending scheme</li> <li>• 5 year residency test for Choice Based Letting</li> <li>• Private lets on CBL</li> <li>• Priority groups taken out of CBL and offered property direct</li> </ul>
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## C. GENERAL

### 9. Communities & Local Government Select Committee report on the PRS

Committee calls on government for:

- Simplification of legislation for landlords and tenants to understand
- Consultation on Housing Health & Safety Rating and quality standards
- Promotion of landlord and tenant rights & responsibilities
- Key fact sheet for landlords & tenants
- LGA mechanisms to share best practice
- Financial burden for enforcement should be on landlords who flout responsibilities
- Consult on LA power to issue fixed penalties for minor breaches without court action
- Power to LAs to recoup benefit/rent from landlord convicted of sub-standard letting
- Share best practice on tackling illegal evictions, but no statutory duty
- Increase police awareness of role in prevention of illegal evictions
- Give greater flexibility and encourage LAs to use existing powers and accreditation
- Greater flexibility over selective licensing
- Give LAs power to require landlords to become members of accreditation scheme
- As far as possible, burden of payment for accreditation/licensing/neighbourhood schemes to fall on unscrupulous landlords (penalties/fines etc.)
- Review mandatory licensing of HMOs
- LAs continue to limit HMOs via Article 4 planning directions
- Universities to work with LAs to ensure students don't have detrimental impact
- Develop electrical safety standards for private rented properties with industry
- Require rented properties to have smoke alarm
- Review of redress against letting agents to include deposit protection and penalties
- Subject letting/management agents to same legislation as sales agents (OFT) and same professional standards
- Code of Practice for letting agents
- Change culture to long-term tenancies
- Proposals to speed up evictions for non-payment of rent
- Council of Mortgage Lenders encourage lenders to relax restrictions on longterm lets
- Letting agent Code of Conduct to include explaining all tenancy options
- Longer term lets encourage tenants to ask for improvements and complain
- Increase supply of housing to control rents – no statutory rent control
- No rent control – should increase supply
- Encourage discussion and agreement of rent increases on long term lets

- LAs to ensure homeless families placed in suitable accommodation and in local area
- Share best practice on social letting agencies, PRS access schemes
- Allow LAs to apply for variation on rental market area boundaries
- Review LHA and scope for local flexibilities
- Task Group to consider better data collection on PRS
- Review tax regulation for PRS with regulators
- Support development of Build to Rent Fund and monitor applications and delivery
- Build to let task force to continue but must not become quango and results reported
- Review impact of Build-to-let in 12 months and change strategy if not working
- Revisit report on Financing of new Housing Supply

**10. Making the most of the PRS in Wales – 10 recommendations to Welsh Government**