

# Annual Report 2018-2019

June 2019





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# Scottish Empty Homes Partnership Annual Report

The Scottish Empty Homes Partnership (SEHP) is funded by the Scottish Government and hosted by Shelter Scotland.

Our aim is to encourage local authorities to bring as many private sector empty homes back into use as possible. To work towards this, we encourage local authorities to recognise the benefits of private sector empty homes work, we provide guides and tools, facilitate best practice sharing and help to develop policies and processes to bring homes back into use.

The partnership was established in 2010 following the Scottish Government's 2009 review of the Private Rented Sector. In 2018 we entered into a new three year contract with the Scottish Government.

**The Scottish Empty Homes Partnership (SEHP) is funded by the Scottish Government and hosted by Shelter Scotland.**

The new contract includes increased funding which will be used to support the strategic aim of encouraging and supporting more councils to focus and invest in empty homes work by;

- Increased grant giving capacity to develop Kickstarter and Shared Services projects,
- Providing research and support to encourage innovative approaches to bringing empty homes back into use and
- An expanded digital and Empty Homes Advice Service provision.

By the end of the contract, we would like to see Empty Homes Officers operating in all 32 local authorities.

## Highlights of the year:

### 1128

council reported number of empty homes brought back into use through direct intervention with owner

### 18%

of these contribute to affordable housing supply

### 20

the number of councils that have an Empty Homes Officer

### 2

new Empty Homes Officers seed funded through Kickstarter projects

### 4

Empty Homes Officers trained

### 296

cases dealt with by Empty Homes Advice Service

**plus**

- More practitioners than ever sharing knowledge and best practice
- New empty homes work training pathways being developed

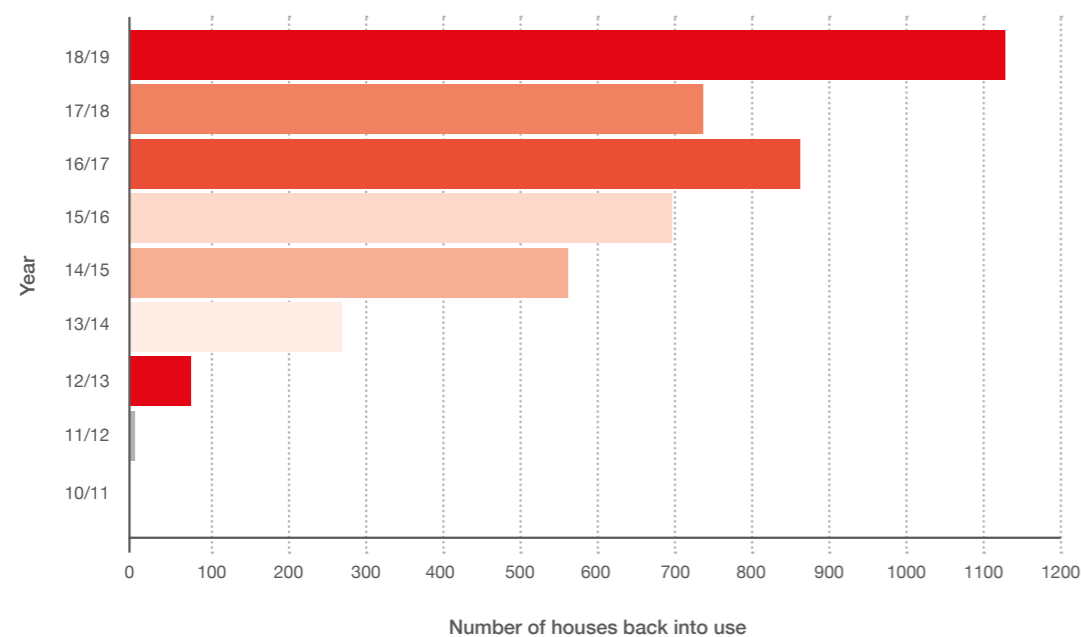
### Recommendations at a glance

Below are the SEHP key recommendations to encourage more homes to be brought back into use:

- **Staff resources**  
Mainstream funding in all councils for a dedicated Empty Homes Officer.
- **Council Tax Levy**  
Councils should earmark a proportion of the Vacant Dwelling Council Tax Levy to fund an empty homes service.  
Discretion is applied to council tax charges where an owner is taking positive steps to bring homes back into use.
- **Enforcement**  
Compulsory Purchase Order powers should be considered as a tool to tackle long term empty homes causing blight on the community.  
Legislation should be brought forward for a Compulsory Sale Order power for vacant and derelict land and buildings.



**This year Empty Homes Officers have reported a record high of 1128 empty properties brought back into use. This is a tremendous achievement, but we know that there is more to be done.**



This is in contrast with the number of long-term empty properties rising since 2016. The picture across the country is mixed, with large falls in some areas matched or exceeded by increases in others. However, it does demonstrate the need for local authorities to mainstream and prioritise empty homes so that the number coming back into use is greater than the number becoming empty, and empty homes are seen as an important part of work to meet the need for more housing across the country.

This report draws on data collected from an annual survey sent in April this year to key empty homes stakeholders and practitioner groups across Scotland. This year, 30 councils responded to the survey, though not all respondents answered every question.

In addition to the data collected through these surveys, this report also draws on a range of other material including:

- Information collected through meetings with Scottish Empty Homes Officer Network members
- Feedback forms submitted at Scottish Empty Homes Officer Network event
- Research included in our previous reports
- National statistics and examples of empty homes work from across the UK

The report is structured around the SEHP strategic priorities for the next three years and is guided by our four objectives:

1. Have a dedicated Empty Homes Officer in every local authority in Scotland
2. Support the national network of Empty Homes Officers
3. Encourage councils, Registered Social Landlords (RSLs) and other private and community bodies to engage in empty homes work
4. Encourage councils to mainstream empty homes work

#### Benefits of investing in empty homes work

The benefits to local authorities of investing in empty homes work include:

- cost-effective contribution to housing supply
- community regeneration
- town centre renewal
- restoring confidence in local housing markets
- reducing blight in the community
- sustaining fragile communities
- reduced carbon emissions





## Case study 1

## Increase in affordable housing supply



Total length of time empty:

**10 months**

The owner of the property passed away leaving the property to his daughter who lived in Australia. Although there were other siblings who lived locally, there was no one in contact with the daughter who lived abroad. No-one wanted to take responsibility for this property.

A neighbour complained about the condition of the garden to the Housing Services Private Sector Team. The Empty Homes Officer contacted the next of kin. Advice was given on the different options available to the family, but it was stressed that doing nothing was not an option as the property would continue to deteriorate if left empty.

After many months of persuasion, the next of kin agreed to consider selling the property back to the council through the buyback scheme and sought legal advice to have the property transferred to them. Missives concluded in December 2018 and all repairs have now been completed. This central, ground level, one-bedroom property will now become "home" to a local resident at a fraction of the cost of a new build.



## Case study 2

## Sustaining a fragile community and reducing blight on the community



Total length of time empty:

**12 years**

The property had fallen into serious disrepair and the garden grounds were severely overgrown making it impossible to physically access the front and rear entrances. The owner had no realistic financial options to undertake the works required to bring the property back into use. The Registered Social Landlord (RSL) who owns the adjoining property had concerns about the impact the condition of the empty home was having on their tenanted property.

After various attempts, the Empty Homes Officer managed to make contact and engage with the owner who resided outwith the local authority area. They asked for advice on options to address the problems but noted that they wanted to retain ownership of the house. The RSL was initially approached to enquire if they would consider taking on the lease of the property via Empty Homes Grant/Local scheme, but this did not happen as the owner was concerned about the costs and work required for the house to meet the Scottish Housing Quality Standard (SHQS) required by RSLs.

Sometime later, the RSL expressed an interest in acquiring the property. Negotiations were entered into and an independent valuation of the property was undertaken. The owner agreed to a voluntary sale to the RSL which has concluded. Works have commenced to bring the property back into use as affordable housing and help sustain a fragile community.

**Before:** property inaccessible**During:** grounds cleared and works



At a time of budgetary constraints, empty homes are a resource on our doorsteps that offer considerable benefits to councils. Left empty, they are a cost to owners and the community. Brought back into use they are part of efforts to build and sustain vibrant communities.

Bringing homes back into use helps to regenerate and sustain communities, allowing people to move into, or remain, in older communities, in contrast to new developments that can serve to draw people away from older communities. They can be the difference between people staying in communities or being forced to leave to find housing at affordable levels elsewhere.

The costs of bringing empty homes back into use are also considerably lower than the cost of new build properties. An approach that combines new builds with bringing empty homes back into use through buy back or other property acquisition schemes, can help councils to increase provision of affordable housing within existing funding constraints and align with commitments to seek to make best use of existing housing.



### Case study 3

## Town Centre Renewal

Midsteeple Quarter in Dumfries, is a response to community-led consultation which uncovered a consensus amongst local people, businesses, groups and agencies that a priority for a 'future Dumfries' is more people living in the town centre. It is a means for the local community to take back control of a group of underused and neglected High Street buildings and refurbish these as a contemporary living, working, socialising, learning and enterprising hub. A new beating heart for the town that could be a catalyst to grow a new thriving and resilient town.

The Oven is the first in a group of disused buildings on Dumfries High Street which Midsteeple Quarter have identified as a site for their bold initiative which will see local people developing their own High Street as a contemporary living, working, socializing, learning and enterprising hub.

The plans are to develop the site into seven new flats which will be available to rent. The street level space will be used as an enterprise space for start-up businesses and social enterprise, as well as continuing the use of the space for charities and third sector organisations. Until the renovations can begin, the ground floor space is being used as a meeting and makers space which has the flexibility to be used for events, exhibitions, music events and much more.



The Scottish Empty Homes Partnership have supported this area of work, re-affirming the importance of housing in these locations. The learning from this work could result in similar projects being taken forward across the region and nationally.

**Recommendation:** Compulsory Purchase Order powers should be considered as a tool to tackle long term empty homes causing blight on a community



## Bringing homes back into use

**This year Empty Homes Officers have reported a record high of 1,128 empty properties brought back into use, making a total of 4,340 since the SEHP formed. Alongside this they continue to handle large volumes of active cases with officers reporting a total of 5,108 ongoing active cases in responses to our annual survey. Although definitions of active will vary between local authorities, it is clear that the demand for empty homes work remains strong and there is a need for Empty Homes Officers in all local authorities.**

We extended our annual survey this year to gather more information on both the homes that were brought back into use and the active cases Empty Homes Officers were reporting.

### How long are homes lying empty?

We wanted to establish a clear picture of how long homes are currently lying empty before being brought back into use. We also wanted to corroborate whether there is a time beyond which it may become significantly more difficult to bring a home back into use.

To do this, we asked respondents two questions:

- Out of the cases you have reported back into use how many have been empty over a specific duration?
- How many of your active cases have been empty over a specific duration?

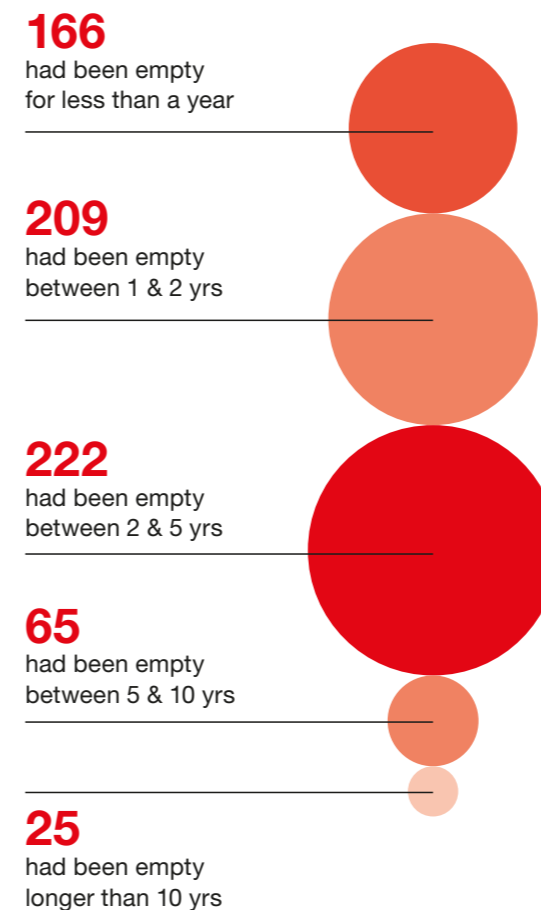
We got responses for 712 homes brought back into use over the year (not all respondents answered this question). (See chart 1.)

Empty Homes Officers reported a total of 5,108 active cases. (See chart 2.) Not all responses broke the figures down into the length of time homes had been empty, and the definition of active may vary from council to council, leading to some of the large variations in totals that were reported by each respondent. However, a fairly consistent picture emerged across the responses as a whole.

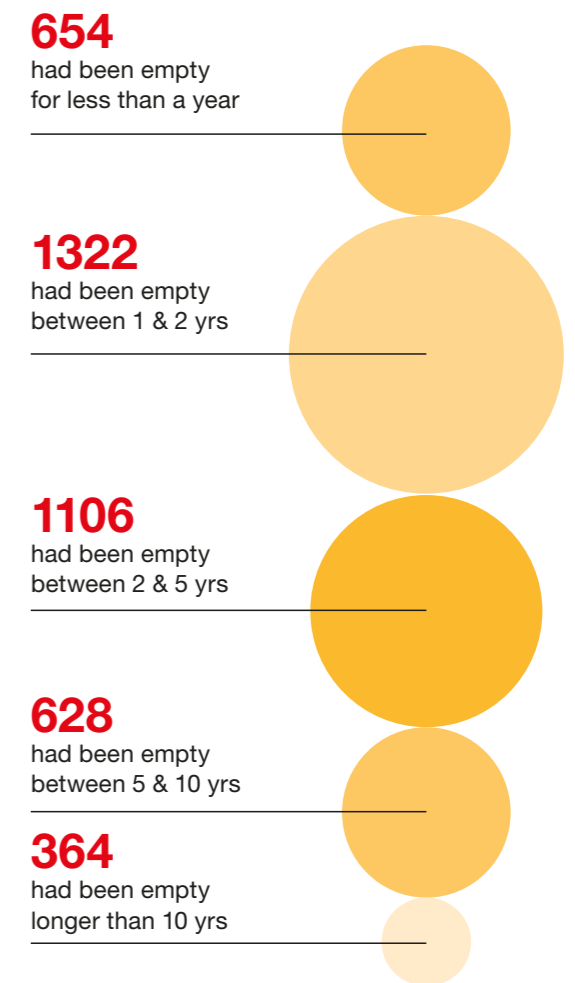
The figures show that less than a quarter of empty homes remain empty for longer than 5 years, and 44% of properties brought back into use had been lying empty for over 2 years. This is encouraging as it shows that through intervention and support, properties that have been empty for very long periods of time can still be returned to use.

However, they also show how the five-year barrier represents a significant milestone in efforts to bring homes back into use with only 13% of the homes brought back into use this year having been empty for more than 5 years, in contrast with 24% of active cases having been empty for this long.

1. Figures showed that of the properties brought back into use:



2. Figures showed that of an officer's active case load:

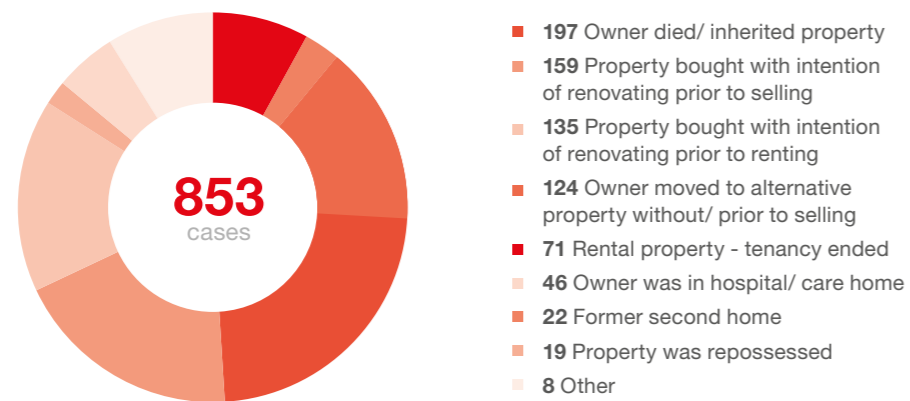


This leads on to a look at the factors that were common in homes becoming empty and remaining empty.



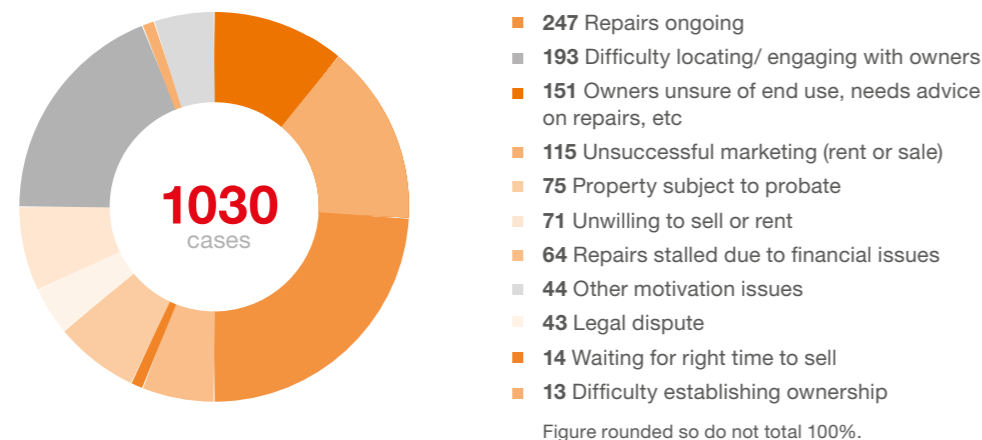
## Why do homes become and remain empty?

Limited information was available on the reasons why active cases **became empty**. However, the following reasons were cited in responses relating to a total of 853 cases;



The reasons cited as other include owner renovating prior to moving in (10), New build not complete (8) Poor condition (8) and mixed reasons including owners deceased/probate issues (34).

Reasons for homes **remaining empty** were provided in 1,030 cases.

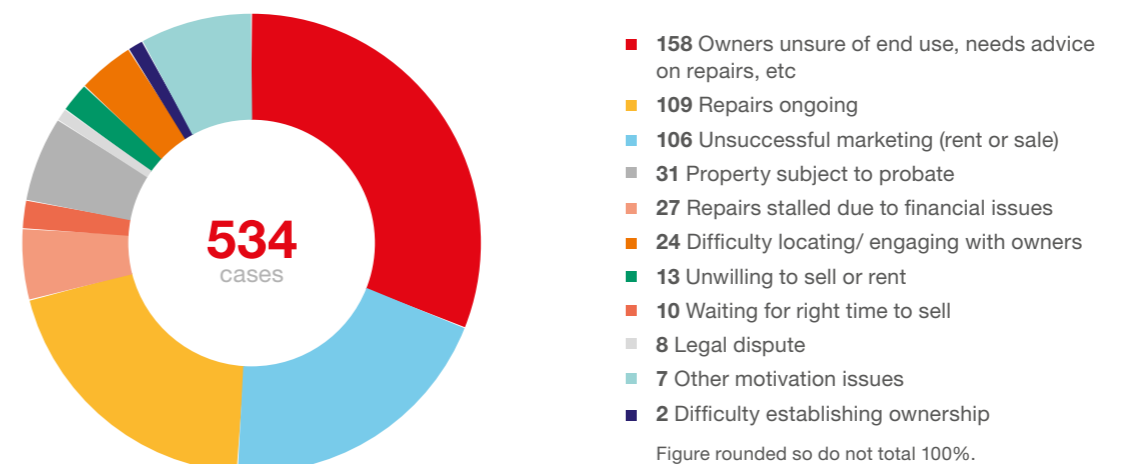


NB. these cases may not correlate with the cases where reasons for homes becoming empty were known.

When contrasted with the reasons why homes became empty, we note that probate proceedings account for substantially lower proportions of cases remaining empty than becoming empty. In contrast almost 1 in 5 stalled cases are due to difficulty locating or engaging with owners. If these cases are causing blight on a community, enforcement measures may be the only option.

It is also noticeable that 30% of homes remained empty either because of ongoing repairs or repairs stalled due to financial issues. This compares with a figure of 35% of homes becoming empty as they were purchased with the intention of renovating prior to renting or selling. This may suggest that owners are often underestimating the time or cost involved in bringing empty homes back into use where major repair work is required.

Of homes brought back into use, the reasons why they were empty prior to intervention were given in 534 cases and broke down as follows;



The percentage of cases brought back into use where owners needed advice shows the role that Empty Homes Officers can play in working with individual home owners to advise on options available to bring properties back into use.

The similarities between the percentage of cases where ongoing repairs are the reason homes remained empty and where they were brought back into use, suggests a natural cycle for completing repairs that perhaps exceeds the six months council tax discount offered to new owners of properties requiring major structural works or renovation.

While several councils offer discretionary discounts beyond the six-month period, where an owner provides evidence of major ongoing work they are carrying out to make a property habitable, we are aware of other instances where no discount is offered and the owner is instead subject to double council tax. This can make it harder for the owner to ever complete the work as money that could be spent on renovating the property is instead swallowed up by council tax.

We also note the large gap between the 20% of cases that remain empty because of difficulties locating or engaging with owners and the 4% of cases where this was the main problem prior to the home being returned to use.

While it is of course possible that some of the other categories of cases brought back into use will include homes where there had been these difficulties at one stage, this also highlights the need for strong enforcement measures to be available to local authorities and Empty Homes Officers where owners are unwilling to engage in conversation or cannot be traced and their homes are causing neighbourhood blight.

One enforcement option would be the introduction of Compulsory Sale Orders (CSOs). We return to this topic at the end of this report.

**Recommendation:** Discretion is applied to council tax charges where an owner is taking positive steps to bring a home back into use

## What happens to homes brought back into use?

### Outcomes of Homes Brought Back Into Use 18/19

|   | Number | % of total |
|---|--------|------------|
| Sold via an estate agent                            | 270    | 33.4       |
| Sold to RSL   | 68     | 8.4        |
| Sold at auction                                     | 16     | 2          |
| Privately sold                                      | 6      | 0.7        |
| Sold via MM   | 2      | 0.2        |
| Let privately                                       | 156    | 19.3       |
| Let through a Rent Deposit Guarantee Scheme         | 31     | 3.8        |
| Let at affordable rent                              | 11     | 1.4        |
| Let through a Private Sector Leasing Scheme         | 6      | 0.7        |
| Let via agent                                       | 3      | 0.4        |
| Let through a Housing Association Management Scheme | 0      | 0.0        |
| Owner occupation                                    | 161    | 19.9       |
| Became a holiday home                               | 45     | 5.6        |
| Purchased by the council (including buy-backs)      | 30     | 3.7        |
| Demolished/closing order                            | 2      | 0.2        |
| Combined with above property                        | 1      | 0.1        |
| Repossessed   | 1      | 0.1        |
| Sweat equity arrangement                            | 0      | 0.0        |

Empty Homes Officers were asked to report on the outcome of homes brought back into use. Not all survey respondents completed this question, however we have data for 809 of the 1,128 homes brought back into use for 2018/19. By far the most common outcome was for it to be sold on the open market via an estate agent (33.4%).

Owner occupation (19.9%) and private letting (19.3%) are the second and third most common outcomes respectively, totalling 39.2%. The fact that almost 20% of all homes brought back into use are being used by owner occupiers shows that bringing homes back into use is an integral part of creating affordable homes that suit the varied needs of modern households.

A total of 18% of homes were let or sold as affordable housing. 68 properties in one local authority were sold to a Registered Social Landlord, 30 homes were bought back by councils, 11 were let at affordable rents, 6 let through a private sector leasing scheme and 31 let through a rent deposit guarantee scheme. These homes have a direct impact on housing supply for those that are most in need.

It is encouraging to see such a large total percentage of empty homes being brought back into use as affordable housing. Additional support for owners to access affordable schemes, such as council buy-backs and renting through social landlords, could serve to further encourage owners to pursue this option.

### Our objectives

## Dedicated Empty Homes Officer in every local authority in Scotland



The best way to bring properties back into use is to have a focus at a local level. This is evidenced in the number of properties brought back into use as well as council staff reiterating our message.

We asked officers;

Is there anything else that would enable you to bring more private sector empty homes back into use?

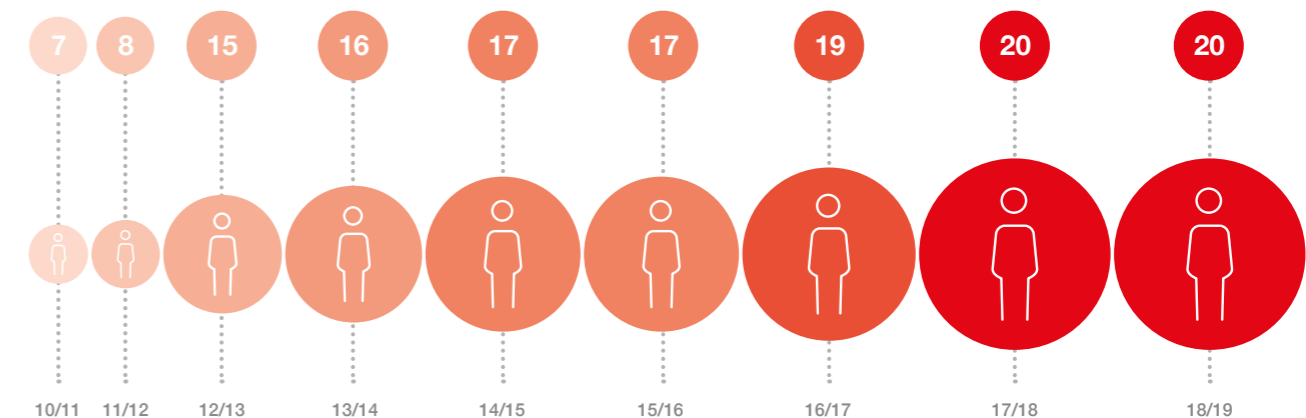
See some of the responses below;

- "A dedicated EHO"
- "staff resource"
- "ring fenced funding for EHOs"

Every year we ask how many properties are brought back as a result of council intervention. This year officers have reported bringing a record high of 1,128 empty properties back into use which at a local level can be a valuable contribution to housing supply.

93% (over 1,000) of these are in local authorities where councils tell us they have a dedicated empty homes resource. 20 councils told us this year that they have an Empty Homes Officer. 14 councils responded that they have a target number of homes to be brought back into use with 8 of these quoting this target in their Local Housing Strategy.

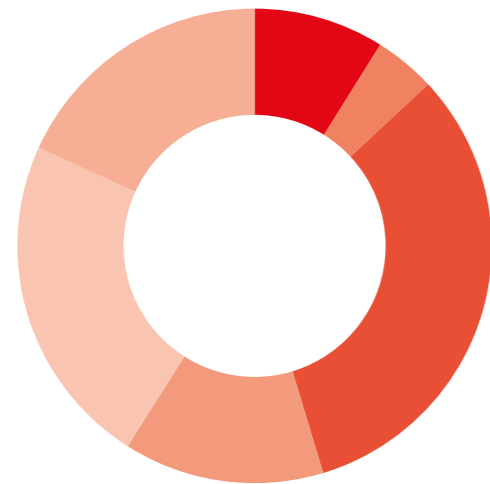
No. of councils that have an Empty Homes Officer



Change in number of councils that have Empty Homes Officers as a direct impact of SEHP



24 officers across 20 local authorities out of 32 in Scotland



- **FTE 200%**  
2 councils replied they had 2 full time posts
- **FTE 160%**  
1 council replied they had a full time & part time post
- **FTE 100%**  
7 councils replied they had a full time post
- **FTE >50%**  
3 councils replied they had a part time post
- **FTE 50%**  
5 councils replied they had a part time post
- **FTE <50%**  
4 councils empty homes part of role

FTE: Full Time Equivalent  
23 councils responded that they have a process in place to deal with empty homes queries.

Where do the most frequent queries that an Empty Homes Officer receives come from



- 175 RSLs / other bodies identifying empty homes as an issue
- 157 Referrals from the Empty Homes Advice Service
- 108 Senior officers asking you to look at an issue
- 100 Complaints from community members about empty homes in neighbourhood
- 96 Approaches from people wanting to buy/develop/convert empty properties
- 95 Local elected members asking for action to be taken
- 84 Local press articles about empty homes in the area
- 68 Owners seeking assistance to bring empty houses back into use
- 61 Your council's strategic objectives
- 57 Queries from community members, local elected members and other bodies
- 53 Increased Council Tax levy

## Tools to bring empty homes back into use

The following tools are used by councils to bring empty homes back into use;

| Tool  | Number of councils using tools |
|---|--------------------------------|
| Writing to empty home owners directly         | 22                             |
| Provided specific offers of advice            | 20                             |
| Use of council tax discretion                 | 14                             |
| Purchase of the empty home                    | 11                             |
| Conducted a survey of empty homes in the area | 10                             |
| Enforcement                                   | 5                              |
| Grants  | 4                              |
| Loans   | 4                              |
| Private Sector Leasing                        | 4                              |
| Rent Deposit Guarantee Scheme                 | 4                              |

The most successful tools are, as always, writing to owners directly and providing advice. This makes sense as these are, generally, the quickest and easiest ways to engage owners and bring resolution to a case.

A trend that we have noted in recent years is the use of council tax discretion to bring properties back into use, and that continues this year with this tool third overall with 14 councils using it. Empty homes purchases also increased, with 11 councils using this as a tool, up from 7 last year.

At the lower end of the scale, enforcement continues to be a fairly limited option. Lack of resource is often given as one reason why this tool is not used more, and the fact that the other, less frequently used options are all more resource-intensive is not a coincidence.

## Case study 4

## Advice and information from Inverclyde Empty Homes Officer



Total length of time empty:  
**Several years**

The property had been a family home for a number of years. The owner had in recent years been in very poor health and had gone into sheltered housing. The owner had no family support to deal with the property and this was causing her stress and she had recently become subject to the increased levy on council tax.

The property came to notice through Environmental Services as a Statutory Notice under the Environmental Health Act was issued. There were also council tax arrears on the property.

Inverclyde Council took steps with the owner's permission to enter the premises and take necessary action. The Empty Homes Officer got involved to offer support, advice and information. Options were presented and the owner decided they wanted to sell the property.

The property was marketed by Auction House Scotland. They arranged to change the locks and complete a home report in advance of sale and agreed to recoup costs after. The property generated a lot of interest and as such Auction House Scotland recommended that the owner should allow it to go to auction and not accept a cash offer prior. The property went to auction and sold.

The owner was delighted, saying; "I was suffering from poor health and had no idea about how to go about selling my house. The longer it went on the bigger burden it became but meeting the Empty Homes Officer was the best thing that could have happened. The house is now sold and it's such a relief not to have to pay bills for it anymore. It really is a weight off my mind".

## Support the national network of Empty Homes Officers

Many Empty Homes Officers are the only employees in the council to do empty homes work, which makes it vital that they are able to regularly meet with other practitioners and share ideas. The SEHP host two quarterly best practice groups, the Central Best Practice Group (CBPG) (alternating between Edinburgh and Glasgow) and the Northern Best Practice Group (NBPG) (alternating between Aberdeen and Inverness).

The aim of these meetings is to share examples of best practice. For example, Angus Council gave a demonstration of a new website for empty homes. This includes an online reporting tool and a resource library for empty home owners. The main aim of the website is to improve the customer experience, and help streamline the process of receiving help, either as a reporter or owner of an empty property.

This demonstration was very popular with other members of the group, and at least one other council have stated that it has given them ideas for their own new website.

Attendance at the meetings has been high in the past year. The CBPG generally has around 20 attendees per meeting, the NBPG around 10, due to the higher concentration of councils in the central belt.

### Of the 27 respondents to the survey:

- 14 awarded Best Practice Groups a 5 out of 5
- 9 awarded a 4 out of 5
- 4 awarded a 3 out of 5



**Highlight of the year:**  
More practitioner sharing of knowledge & best practice





# Scottish Empty Homes Officer Network Training

In the past year, four new Empty Homes Officers have received training from the Scottish Empty Homes Partnership. Two of these are in councils that have not previously had Empty Homes Officers. The other two officers are in councils who were increasing the number of Empty Homes Officers they employ.

**Highlight of the year:**  
4 new Empty Homes Officers participated in a training programme

In the past year the SEHP has reformed the training programme for new and existing Empty Homes Officers. This is to meet the needs of officers and is based on verbal and written feedback and evaluation.

**Highlight of the year:**  
New Training Pathways launched

The new Training Pathways was launched in 2018. At the moment, this encompasses modules of training which can be taken periodically, rather than one large training session right at the start of an officer being in post. The initial sessions will normally be;

1. Introduction to Empty Homes Work
  2. Database and Casework
  3. Working with Council Tax
- And we are currently working on;**
4. Benefits of Empty Homes Work
  5. Writing an Empty Homes Strategy

The SEHP will launch an accompanying online learning platform late in 2019. This will not replace the initial one-to-one sessions but will run alongside them, providing additional supporting information and also testing the officer's knowledge.

Anu Kasim, Empty Homes Officer from Aberdeen City, said; "As someone relatively new to the theme of empty homes, I have found that the tools provided by the Scottish Empty Homes Partnership have proven to be effective in training new Empty Homes Officers and the information and tools provided are often updated annually to keep it relevant and applicable.

The Partnership are keen to host workshops that meet the needs of more experienced officers. For example, feedback from the Network showed that they were unsure what their specific role was in the Compulsory Purchase Order process. This prompted SEHP to host a second workshop on compulsory purchase orders (CPO) this year.

Feedback from the event was very positive, with attendees rating the event overall as either 'good' or 'excellent'.

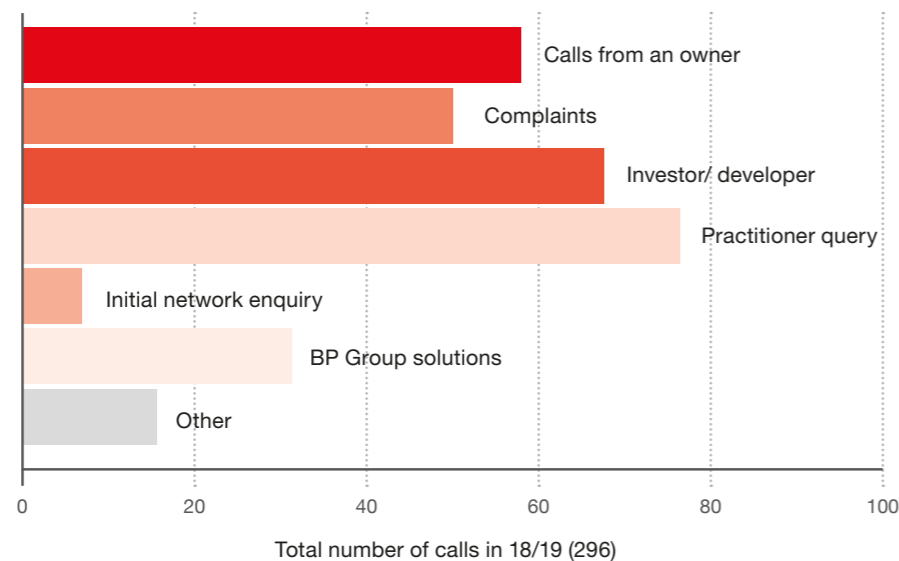
"It was a very useful session and I now understand better, why, what and how a CPO is needed for certain case studies."

# Empty Homes Advice Service

The Empty Homes Advice Service (EHAS) uses deep specialist knowledge to provide advice and information to anyone concerned about empty properties, be they an owner, neighbour, empty homes practitioner or anyone in between. The service works collaboratively with empty homes practitioners, local authority private sector teams and other organisations to drive forward empty homes work.

Following the start of the second phase of the project in 2018, a Senior Empty Homes Adviser has been recruited to provide strategic oversight of EHAS and maximise visibility and reach. The primary focus of the Senior Adviser in 2019 is to drive higher volumes of calls and emails to EHAS, while undertaking a holistic review of the service to ensure it is ready to meet increased demand with high quality tools and information.

## Who contacts EHAS?



Many callers to EHAS are seeking one-off advice or information on an empty home. For the most straightforward cases, this is the end of the Empty Home Adviser's involvement. However, lots of other cases take longer to resolve, and for these the Empty Homes Adviser will refer the case to a local authority contact to follow up. In many local authorities, this contact is now a dedicated Empty Homes Officer who can take cases forward and provide support at a local level.

For local authorities without an Empty Homes Officer, the Empty Homes Adviser will work with the council contact (usually in the private sector housing department) to explore approaches. In a small number of cases the Empty Homes Adviser and Senior Empty Homes Adviser work with the owner directly to pursue a case to conclusion.

From these cases, we document demonstration cases to share best practice and help make the argument for establishing or increasing empty homes services.

An example of the feedback we receive;

### Hello Nicola

Thanks for getting in touch. I appreciate your checking in. I will of course fill in the feedback survey.

Also, my husband and I were so impressed with your service we would like to make a charitable donation to the scheme you represent. Would a donation to Shelter be the best way of doing this?

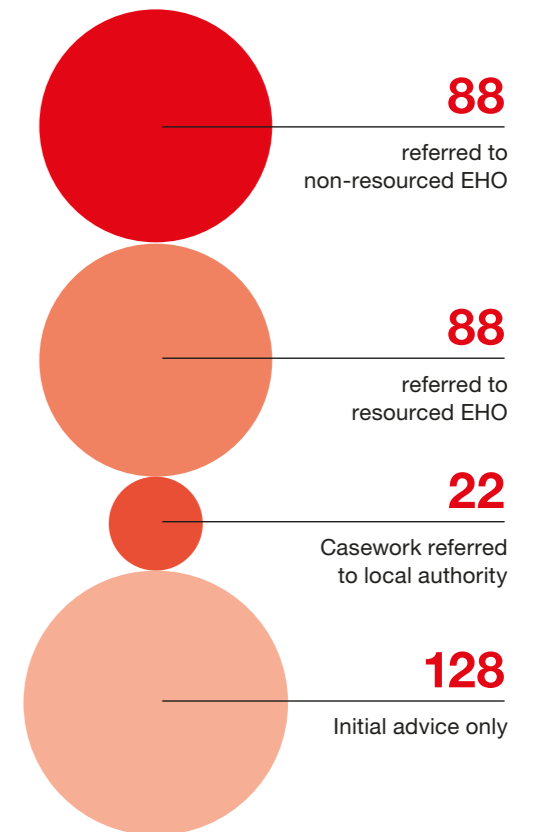
EHAS assist the Partnerships Officer in supporting the Scotland-wide Empty Homes Network (SEHON) by engaging with new and existing members, sharing best practice, delivering advice on empty homes cases and facilitating training events and workshops.

Best practice sharing is facilitated through the Knowledge Hub, a secure online platform for members to connect, share approaches and access tools, guides and other resources provided and maintained by EHAS. The challenges and stumbling blocks shared by practitioners shape demonstration case studies and the training requirements for the network.

Feedback on EHAS resources from SEHON practitioners has been consistently high.

EHAS documents case studies to highlight trends, share best practice, inform training needs and make the case for dedicated Empty Homes Officers in every local authority in Scotland.

In 2018 and 2019 we noticed a large volume of calls pertaining to the council tax levy, especially from areas that had applied the levy without a dedicated Empty Homes Officer in post. You can read more about how this impacted policy and feedback to the Scottish Government on pages 34–36.



## The Empty Homes Matchmaker Scheme

EHAS is often the first point of contact for property developers and other buyers interested in empty homes work. As well as connecting them to local empty homes workers, the Adviser can register their interest in the Matchmaker Scheme, which runs in many local authorities and helps to connect potential buyers with owners of empty homes looking to sell. The Adviser can also support Empty Homes Officers with the implementation and management of the scheme in their area.



## Kickstarter and Shared Service Projects

Since 2012, the Scottish Empty Homes Partnership has instigated and run a number of Empty Homes Kickstarter and Shared Service Projects across Scotland.

This involves the SEHP supporting a council to submit a proposal to attract seed fund money to set up an empty homes service. The overall aim of the projects is to provide local evidence of the need for, and benefits of, an empty homes service over a two year funding period. The desired outcome is therefore that councils would either continue with shared service arrangements or hire their own full time Empty Homes Officer.

The Scottish Empty Homes Partnership is keen to engage in conversations with any council that does not have a dedicated empty homes resource.

Examples of where this has happened include;

### **Orkney Islands Council/Highlands & Islands Enterprise Shared Service**

This project is a collaboration between Orkney Islands Council, Highlands & Islands Enterprise (HIE) and the Scottish Empty Homes Partnership. Orkney has some unique challenges, with a high percentage of empty homes, and geographical spread of around 70 islands, 19 of which are inhabited. Some of the islands have also suffered from depopulation, but this is not a uniform picture, with some islands also struggling to accommodate all those who would wish to live there.



The main aim of this project has been to develop an embedded approach to dealing with empty homes on the islands. The Empty Homes Development Officer (EHDO) has now delivered an empty homes strategy which maps out the way ahead. The strategy notes; "An empty home that is brought back into use in effect creates more viable housing within rural and island communities. It also helps to maintain these communities and strengthens the local economies."

One of the unique aspects to this project has been the development of Gateway Homes. These are homes on an island, which people can live in for a nominal period (usually 6 months) to get a feel for island life. If they like the experience, they can rent or buy property on the island as normal, however if they don't like it, they can leave relatively easily. This is to try and address the issue of people moving to the islands with an idealistic picture of island life, which often does not exist in reality. The EHDO has helped by identifying available empty properties to be used as Gateway Homes on the islands and has also assisted with bringing them back into use.

### Case study 5

## Advice and information from Orkney Empty Homes Development Officer (EHDO)



Total length of time empty:

**35 months**

The property was on the market. It was in a sought-after area, but the owners had not managed to sell or attract much interest. The property came to the attention of the EHDO through council tax data.

The EHDO contacted the owners to find out more about the property and went out to view it. It was clear that the existing marketing material was not reflecting the potential of the property. The EHDO suggested options including joining the Matchmaker Scheme and better-angled photos of the interior of the property. This slight adjustment to the listing led to the owners receiving and accepting an offer on the property. The sale was finalised in November 2017.

There was additional work required before the new owners could move in. The new owners got in touch with the EHDO in January 2018 and were informed about VAT discounts available to them and merchant discounts offered by Jewsons on empty homes. The EHDO helped them to access these so that they could carry out work required.

The property was finally owner occupied in summer 2018.



### New Kickstarter Partnerships

## Aberdeen City Kickstarter



This project is funded by the Scottish Empty Homes Partnership and Aberdeen City Council. The local authority recognises that numbers of empty homes are increasing and sees the economic downturn and market failure as key contributors to this situation. However, there are still issues with affordable housing supply and it was recognised that bringing empty homes back into use would support the council's strategic objectives. The empty homes project started in October 2018 and the Empty Homes Officer is part of the Strategic Place Planning team.

The council are looking at several initial initiatives, two of which are listed below:

- **Empty Homes Loan Fund:** The loan is to be offered as an interest-free loan with a focus on properties within the cities High Need and Demand areas to increase affordable housing supply.
- **Matchmaking Service:** A service designed to link appropriate empty homes to households on the council's housing waiting list

## Western Isles Kickstarter

This project is funded by Comhairle Nan Eilean Siar and the Scottish Empty Homes Partnership. A completely different approach to that of Aberdeen City has been taken and this has delivered immediate results.

The Empty Homes Officer took a proactive approach. They sent out surveys to empty home owners on an area by area basis, sent out information leaflets to 12,000 properties with their council tax bills, launched the service with a local press release and completed a targeted mailshot of leaflets at expected touch points. The response has been incredible with the Empty Homes Officer reporting high numbers of properties brought back into use in the first six months.

### Case study 6

## Advice and information from Western Isles Empty Homes Officer



Total length of time empty:

**Unknown**



Approximately 17% of homes in the Western Isles are long-term empty. The area has historically suffered from depopulation. The exact circumstances of why this property became empty are not known.

The property had been sold to a new owner who plans to move to Lewis from Fife, as an affordable way of owning a home and to "get away from the rat race". The new owner self-referred to the Empty Homes Officer when he was seeking help getting consents and connecting services to the property.

The Empty Homes Officer has supported him by connecting him to other local contacts who can directly help with sewage and water connections, as well as ensuring the owner is accessing all the discounts available to him. In doing this, he has been able to help the owner maintain a sense of momentum on the project.

The owner hopes to be living in the property by the end of 2019. The owner has said that the Empty Homes Officer has provided huge practical and emotional support and that his ideas and practical information have helped push them through to the next step of the process. The impact of this type of support on both individuals and communities cannot be underestimated, especially in areas at risk of depopulation.







## 2018 Scottish Empty Homes Conference

The theme of our 2018 Annual Conference was Step Change. We have a network of officers that have been working with partners to bring homes back into use and we wanted to showcase some best practice examples from Scotland and elsewhere in the UK.

Orkney Islands Council gave a presentation on Gateway homes; using empty homes to give households a taste of island life with the aim of repopulating fragile communities. The Latch in Leeds gave a presentation on their use of empty homes as a way of upskilling volunteers while increasing affordable housing. Please see Case Study 7.

### Sharing this learning

Looking forward, we aim to build on the successes of the first eight years of the partnership and help to create new opportunities for local authorities and Empty Homes Officers to work with third sector partners to bring more empty homes back into use and contribute to the delivery of other important social initiatives that can improve the lives of many people.

### Case study 7

## Latch Leeds Showcasing Step Change

Latch<sup>1</sup> was established in 1989 and brings empty and run-down homes back into use. Latch connects with the Empty Homes Officer in Leeds who identifies appropriate empty properties to buy. They then refurbish the houses with unemployed volunteers, helping them to gain skills, confidence and work experience. When the homes are fully modernised, they provide good quality supported housing for people who are homeless or living in difficult housing circumstances.

Latch make a difference to people and communities at several levels.

- Increase supply of affordable housing to those most in need
- Regenerate communities
- Upskill volunteers

Latch supported housing acts as a stepping stone to independent living for people looking to make positive changes in their lives. Tenants have their own Latch support worker, who helps them to move in to their new home and ensure they have all the assistance they need while they get settled. They then continue to support them as they adjust gradually to independent living and become able to move into permanent independent accommodation.

The properties Latch purchase will often be in areas that have become run-down. By buying them and returning them to housing stock they help to regenerate these neighbourhoods reducing the risks of anti-social behaviour and improving the lives of people already living there.

By using unemployed volunteers to refurbish the homes, they are also providing people with skills and opportunities that can help them to turn their lives around and move into full time employment.

The knock-on benefits of this go beyond the volunteers themselves and again contribute to improving the long-term future of the local community.

<sup>1</sup> [www.latch.org.uk](http://www.latch.org.uk)





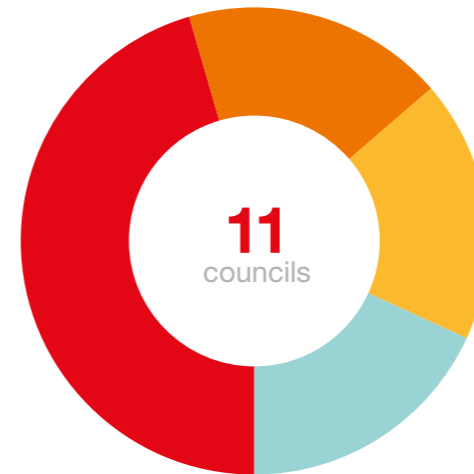


## Encourage councils to mainstream empty homes work

Feedback from councils show that they recognise the importance of looking after existing assets in local communities. A strategic or policy framework for evaluating empty homes work can keep a focussed attempt to address the issue. We are aware of 11 councils that have a standalone empty homes strategy aside from the commitment in the Local Housing Strategy.

However, we also know that with continuing local budget constraints, empty homes posts are often vulnerable with fewer permanent posts.

**We asked Officers what budget sources funding for empty homes posts comes from. We got a definitive answer from 11 councils.**



- 5 councils fund the service from the Vacant Dwelling Council Tax Levy
- 2 councils fund the service from the Strategic Housing Fund
- 2 councils fund the service partly from Council Tax discount on 2nd homes
- 2 councils fund the service from the General Fund and Housing Revenue Account

Raising awareness of empty homes work within councils will support collaborative working and can help to mainstream the service.

The Empty Homes Advice Service was recently contacted by a person reporting she had been in touch with her local authority about an empty home adjacent to her own property. Although she had contacted her council about this, she had not been informed that there was a dedicated Empty Homes Officer; this highlights the importance of making other departments aware of the function.

### How aware are the other departments of your empty homes role/ function?



**15** are aware

**9** are very aware

**4** are not very aware



## Council Tax

**Since 2013 councils have discretion to vary the council tax payable on unoccupied properties. Initially a discount of between 10% and 50% is required, but after a property is unoccupied for 12 months (or 24 months if being actively marketed for sale or let), an increase of up to 100% may be imposed to encourage owners to bring empty homes back into use.**

All councils are using these variation powers to some extent, and most are now using powers to increase council tax beyond 100%. The only ones not doing this with effect from 1 April 2019, according to information published on their websites were; East Renfrewshire, Orkney and Shetland. Of these three, Orkney are intending to start to use powers to increase council tax beyond 100% from 1 October 2019 and East Renfrewshire were in recent discussions about the possibility of this.

The Scottish Government website notes that 'Revenue generated from applying Council Tax discounts of between 50% and 10% on second homes and long-term unoccupied properties is reserved for spending that supports the provision of new affordable housing.'

The Scottish Government's 2013 supplementary guidance on the levy expands on this, to say 'This power is intended as an additional tool to help local authorities encourage owners to bring empty properties back into use, both to increase the supply of housing for those who need homes and to reduce the blight on communities caused by houses being left empty and allowed to fall into disrepair.

Any additional revenue raised from reducing the discount beyond 10% or applying a levy, can be used as the local authority sees fit. This means that the revenue raised either through discounted council tax or the council tax levy could be used as part of a wider approach to tackle long-term empty homes including provision of support and guidance to owners and provision of loans or grants if available.

Where the levy is used effectively as a carrot and stick approach to encourage owners to bring homes back into use it can be very helpful as a means of tackling empty homes. However, as a blanket charge applied without discretion in individual cases it can have the opposite effect by adding to the financial hardship owners may be facing and further limiting the resources available to them to bring the property back to a condition where it may be suitable for sale or rent.

We asked officers if their council use discretionary powers to vary/disapply council tax in individual cases and got mixed responses. 13 councils apply discretion and here are some of the contrasting responses.

**"Council Tax levy only in place since Oct 2018. Very limited discretionary powers in place and no success to date with requests from EHO."**

**"Yes. Managers discretion discount (90% instead of 200%) is given if completing work to bring property back into use. This is now facilitated by Council Tax rather than Empty Homes Officer. Used where necessary."**

**"Yes, if owner is actively engaging with the EHO to sell or let a property a six month exemption from the levy is considered on a case by case basis."**

**"We have used discretionary powers 115 times since it was brought in and over 2018/19 we used it 70 times."**

**"We sit on Long Term Empty Panel Monthly Review Panel, we can present cases working with Empty Homes Officers and we participate in the recommendations after listening to the evidence."**





## Council Tax Case Study 1

When the money generated by the discount and levy is used to fund projects and initiatives that contribute to bringing empty homes back into use to increase housing supply, local authorities are seen to be acting in the spirit of the legislation and working to actively tackle the problem of empty homes. However, responses to our survey showed that practice varies widely between councils in the use they are making of both strands of this revenue.

While, nine councils reported having additional money for grant or loan funding to assist bringing properties back into use, the same number of respondents also reported that their council does not dedicate any of the funds from the reduction of Council Tax discount to empty homes work.

**Recommendation:** A proportion of the Vacant Dwelling Council Tax Levy should be earmarked to fund an empty homes service

An owner had purchased an empty property in March 2018 with the view to renovating it and moving in. His council tax was discounted for the initial six months and then raised to 200% from November 2018. His local authority did not employ an Empty Homes Officer, and no discretions to the imposition of the levy were being granted.

The owner contacted EHAS, who connected him with the local empty homes contacts at the council and highlighted the legislation relevant to his appeal. The appeal was initially refused due to a clerical error, and the owner made the choice to accelerate the essential work and moved into the property in December 2018 to reduce his financial burden.

EHAS continued to support the owner by assisting him in taking a further appeal to the local valuation panel. The EHAS adviser helped to identify what to include in this appeal and it was successful. His overpayment was refunded and EHAS was able to further assist him by connecting him to VAT and merchants' discounts to complete the remaining work.

This is an example of discretion successfully being applied, however under the legislation this should be possible without taking the case to the local valuation panel. A clear appeals procedure for ongoing renovations and/or an Empty Homes Officer would have helped to streamline this process.

## Council Tax Case Study 2

EHAS was contacted by an owner who had bought an empty home to renovate and sell. He had come to the end of his exemptions following the purchase of the property but due to the extent of the work required had not yet completed the renovation and the property remained uninhabitable. He had tried to engage with the council regarding this but was told no discretion could be applied regarding the levy. He contacted EHAS for assistance appealing this decision.

The EHAS adviser helped him to draft an appeal letter highlighting the relevant area of legislation that addresses discretion. The owner received a quick decision regarding this appeal, however it was unfortunately not upheld. This has caused him to place the property on the market despite the renovations not being complete, damaging his chances of recouping his costs on the project and risking it remaining uninhabited for longer than necessary. There is an additional risk of putting off other potential buyers of long-term empty homes from taking on the project if the discretion outlined in the legislation is not used.

Based on successes in other local authorities, we would recommend a more nuanced 'carrot and stick' approach to the application of the levy rather than a blanket application. A barrier to using discretion seems to be the lack of a dedicated Empty Homes Officer empowered to do the work of assessing these cases and appeals in the region.

## Council Tax Case Study 3

A property owner contacted EHAS as the levy had been applied to a home he was in the process of renovating to live in with his family. He had tried to discuss the charge with Revenues & Benefits directly but had been told it was a blanket charge with no discretion possible. By the time he called EHAS, he had accepted that the charge could not be challenged but felt he had not been given adequate notice. He was informed 8 weeks prior to the increase that council tax on the property would double. This had a significant impact on the amount of work he could afford to do each month. He was unhappy that the increased charge would either delay the renovations and his entry into the home or force him to move his family into a home that did not yet meet the tolerable or repairing standard.

On the basis that the owner had already tried to appeal the decision, the case was referred to the person responsible for empty homes work as part of their role at the council. The guidance to councils on applying the levy states that discretion can be applied where an Empty Homes Officer agrees with the owner that major works are being done to bring the property back into use. However, the Empty Homes Officer for this council advised that the levy was being applied by Revenues & Benefits directly and they had no power to alter the decision. They referred the case back to Revenues & Benefits on 21st March. As of 16th April the home owner had not received any further contact from the council and still awaits a decision.

This case highlights the need for an Empty Homes Officer and a clear, swift appeals process in order to avoid the levy having the unintended effect of delaying a home being brought into use or forcing people to live in substandard accommodation.



## Compulsory Purchase Order

# Enforcement options available to councils

**Compulsory Purchase Orders (CPO) are the main enforcement measure that is currently available to councils where homes have been empty for long periods of time, are a blight on the community and the owner is unwilling to engage with efforts to bring them back into use.**

While councils have had the power to apply for CPOs for several years, it remains the case that this method of enforcement is not used very often in empty homes work.

The SEHP hosted a CPO workshop last year with presentations highlighting cases of empty homes that caused a blight on the community where CPO had been a suitable solution. While this raised awareness of the existence of the power, it did not result in a significant increase in the number of councils using it.

Only six respondents to our survey answered that their councils were using CPOs for empty homes. Common reasons for not using them were: Length of time CPO process takes; Lack of resources to initiate/progress CPOs; Cost of CPO process, and; Work/cost that follows where CPO is granted.

While it is hoped that more local authorities will take CPOs on board as a tool to move on empty properties that are stuck, the work and cost that follows a successful application may remain a barrier to their use. Local authorities need to consider whether they will be able to sell on the property or bring it back into use as social housing before making an application, and this can mean that a CPO will not be a viable option even where other criteria for applying are met.

## Compulsory Sale Order

A further enforcement power that has been proposed by the Scottish Government is the Compulsory Sale Order (CSO). This power would allow local authorities to require an empty home that has been vacant or derelict, for an undue period of time, to be sold by public auction to the highest bidder. SEHP has been part of an expert advisory group to explore the opportunities and challenges that this power presents.

We have concluded that the main advantage that CSOs provide over CPOs is that the local authority does not have to take ownership of the property, therefore the level of financial considerations involved in deciding whether to proceed are reduced accordingly, which may increase the likelihood of applications being made. This is borne out in responses to our 2019 survey, where officers identified 131 cases where they believed that a CSO power would be helpful if it was available.

**Recommendation:** Legislation to provide for CSOs is introduced with supporting processes and guidance to reflect the practical considerations local authorities will have to consider when applying for them.

## Progress on Project Milestones

| Objective  | Targets for 2018-19  | Progress at the year-end   |
|--|--|--|
| <b>A dedicated Empty Homes Officer in every local authority in Scotland by 2021</b>              | Strategic plan to engage with councils<br>Business Case developed for each remaining council (4 per year)<br>Meet with 4 councils per year   | Edinburgh City Council approved business case for a dedicated Empty Homes Officer<br>Moray Council in discussions to increase from 30% to FTE<br>South Ayrshire at contract stage to increase capacity for resourced 25% FTE Empty Homes Officer<br>2 other councils considering options   |
| <b>Support the National Network of Empty Homes Officers</b>                                      | Regular Best Practice meetings<br>New training structure<br>All new Empty Homes Officers to receive training<br>Delivery of annual conference<br>2 additional workshops per year<br>2 new guides and tools | 6 Best Practice meetings across Central Belt and in the North<br>Training pathways launched<br>4 Empty Homes Officers trained<br>1 Workshop as requested by the Network<br>Annual Conference delivered<br>Refreshed VAT guidance<br>Refreshed Value Tool<br>Refreshed Data Collection Guide<br>Refreshed Case Study Template<br>Empty Homes Loan Fund Variation Template |
| <b>Encourage councils, RSLs, community bodies and other groups to engage in Empty Homes work</b> | Increase the profile of empty homes work across organisations  | Presentation at Scottish Association of Landlords<br>Discussions with D&GSCHT who are working on empty homes projects<br>Step change proposal drafted to encourage other bodies to engage in empty homes work<br>Media OTVs  |
| <b>Encourage councils to mainstream Empty Homes work</b>   |  | Presentation at COSLA<br>Refreshed Value Tool<br>Council Tax policy paper  |
| <b>Empty Homes Advice Service</b>  | Maintain EHAS numbers as a minimum<br>New Case Recording System to allow analysis of trends and themes<br>Develop marketing plan<br>4 case studies   | 296 contacts to EHAS<br>Case Recording System live<br>Marketing plan developed<br>4 case studies   |

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[shelterscotland.org/emptyhomes](https://shelterscotland.org/emptyhomes)

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Shelter Scotland  
Scotiabank House  
6 South Charlotte Street  
Edinburgh EH2 4AW  
[shelterscotland.org](https://shelterscotland.org)



**Scottish Empty  
Homes Partnership**

0344 515 1941 | [emptyhomes@shelter.org.uk](mailto:emptyhomes@shelter.org.uk)