

Meeting or Decision Maker:

City of Westminster Cabinet Member

Leader of the Council

Date:	March 2023
Title:	Long Term Empty Residential Properties (Private Sector) Interim Strategy Statement
Wards Affected:	All
Policy Context:	Fairer Westminster Strategy
Cabinet Member:	Not required for Cabinet Member reports
Key Decision:	Key decision. An entry has been included for 28 days on the list of forthcoming decisions
Financial Summary:	No further budget implications
Report of:	Pedro Wrobel: Executive Director of Innovation and Change

1. Executive Summary

- 1.1 This report seeks approval for The Long Term Empty Residential Properties (Private Sector) Interim Strategy Statement 2023.
- 1.2 The Interim Strategy Statement in Appendix B sets out the council's approach to addressing long term empty residential properties over the next year marking a departure from the past, limited, approach. It outlines that the new Empty Property Officer will engage with owners, trial and test different approaches to tackling long term empty properties in order to acquire a greater understanding of why they are left empty in Westminster and the best ways of tackling them. Following this a full Empty Property Strategy will be developed.

2. Recommendations

- 2.1 That the Leader of the Council:
 - 2.1.1 Approves the Long-Term Empty Residential Properties (Private Sector) Interim Strategy Statement and the approach for tackling empty homes (Appendix B).

3. Reasons for Decision

3.1 A new approach to tackling long term empty properties is needed in order to make the best use of Westminster's housing stock, to respond to resident concerns about long term empty properties and to develop a better understanding of the most effective ways to tackling them. It is also needed in order to build up knowledge in order to develop a comprehensive strategy.

4. Background, including Policy Context

- 4.1 Long-Term Empty Properties (LTEP) are generally those that are substantially unfurnished and unlived in for over six months. They are different from underoccupied or second homes which may only be lived in for a few weeks each year. The self-reported Council Tax data recorded suggests that LTEP currently make up less than 1% of Westminster's stock, however these figures rose by 123% between 2021 and 2022 and the true numbers are likely to be higher than those recorded due to the lack of incentives for accurate self-reporting amongst other challenges.
- 4.2 The Interim Strategy Statement sets out how and why the council will be proactively addressing LTEP over the next year, marking a departure from the current approach, which is charging the highest Council Tax possible on LTEP, but generally only getting involved if the property is dangerous. It highlights that LTEP are a wasted resource at a time of acute housing need and that addressing them is part of the council's Fairer Westminster Strategy¹. This new approach aligns with the London Plan which encourages boroughs to use all the means at their disposal to bring empty properties back into use².
- 4.3 The Interim Strategy Statement responds to resident concern about empty properties identified in the London Housing Strategy particularly concern about empty homes and properties bought by foreign investors and their impact on neighbourhoods³. This concern is echoed by Westminster residents, about private properties developed by the council in its housing renewal areas being left empty.
- 4.4 The Interim Strategy Statement also highlights that LTEP are a complex issue in a high value area like Westminster, the reasons as to why properties are

¹ www.westminster.gov.uk/our-new-strategy-build-fairer-westminster

² the london plan 2021.pdf

³ London Housing Strategy

left empty and the powers available to councils to address them. It highlights the appointment of an Empty Property Officer (EPO) who will work with owners to encourage them to bring properties back into use and by providing advice and support where needed. The new EPO will also assess the approach and course of action which could work best in Westminster, including the use of legal powers and incentives. Longer term, a full Empty Property Strategy will be developed.

5. Financial Implications

- 5.1 A temporary EPO was appointed in December 2022 for an initial period of twelve months to investigate and explore the aspects of this recommended Interim Strategy Statement. The cost of this post, funded from corporate provisions, is the only direct cost associated with this recommendation.
- 5.2 At this stage there is no intention to use grants or Compulsory Purchase Orders to bring empty properties into use and as a result there are currently no financial implications. Should the work over the next year indicate that they would be useful any decision would be subject to a further cabinet member decision before being implemented, alongside further financial implications of those decisions. Under this Interim Strategy Statement there is no intention to use grants or Compulsory Purchase Orders to bring empty properties into use and as a result there is currently no financial implications. Investigatory work will continue when the outcome of this investigation is complete.
- 5.3 The EPO's work will also investigate the potential to apply higher rate Council Tax on eligible empty properties. These findings will also be reported at the outcome of this twelve-month investigation.

6. Legal Implications

- 6.1 The council's powers to tackle LTEP are summarised in section 5 in the Long Term Interim Empty Residential Property (Private Sector) Strategy Statement.
- 6.2 S 149 of the Equality Act 2010 provides:

"(1) A public authority must, in the exercise of its functions, have due regard to the need to—

(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;

(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it".

- 6.3 An Equality Impact Assessment (EIA) should take place before any action under strategy is implemented to ensure that the effects of that action can be assessed appropriately and consulted on. The duty is continuing; it does not end with the completion of the EIA and due regard must be had as the measure / policy evolves and is implemented.
- 6.4 There is also a common law duty to consult persons who have a legitimate expectation to be consulted about action under the strategy before that action is implemented.

7. Consultation and communications

- 7.1 A range of directorates across the council have been consulted about the new approach:
 - Environment and City
 - Finance & Resources
 - Growth, Planning and Housing
 - Innovation and Change.
- 7.2 A communications plan will be developed to guide our engagement with private property owners, residents and other stakeholders. The council will maintain open lines of communications, for example a dedicated way of enabling residents to report empty properties. Information on bringing empty properties back into use for owners will be available through our website.
- 7.3 An empty property workshop will be hosted bringing together sector expertise in order to better understand the best ways of tackling empty properties in an area like Westminster.

8. Equalities implications

- 8.1 An Equalities Impact Assessment (EIA), initial screening, has been completed (see Appendix C) and sets out that a full EIA may be needed when a comprehensive strategy is developed and when more information is available.
- 8.2 The initial screening highlights that although the new approach has a direct impact on empty property owners there is no information on their protected characteristics. It also notes that the aim is to gather this information throughout the year from any owners the council is working, but it acknowledges that this could be difficult. With regards to working directly with homeowners that may be vulnerable or have health issues, the council will take into account their needs and work sensitively with them.
- 8.2 The equalities implications of tackling empty properties on communities will also be taken account of throughout the year in order to inform the comprehensive strategy.

9. Carbon Impact

There are no implications for carbon impacts resulting from the report

For completion by the Leader of the Council

Declaration of Interest

I have <no interest to declare / to declare an interest> in respect of this report

Signed:	Date:
NAME:	
	e of interest if any
(N.B: If you l	have an interest you should seek advice as to whether it is appropriate to make a lation to this matter)
For the rea	sons set out above, I agree the recommendation(s) in the report entitled
Long Term Statement	n Empty Residential Properties (Private Sector) Interim Strategy
Signed	
The Leade	r of the Council

Date

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and this pro-forma is returned to the Secretariat for processing.

Additional comment:

If you do <u>not</u> wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, the Head of Legal &

Democratic Services, Chief Operating Officer and, if there are resources implications, the Director of Human Resources (or their representatives) so that (1) you can be made aware of any further relevant considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.

Note to Cabinet Member: Your decision will now be published and copied to the Members of the relevant Policy & Scrutiny Committee. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed from publication to allow the Policy and Scrutiny Committee to decide whether it wishes to call the matter in.

Background Papers If you have any queries about this Report or wish to inspect any of the Background Papers, please contact; Cecily Herdman, Principal Policy Officer Email: cherdman@westminster.gov.uk

BACKGROUND PAPERS:

Background papers are referenced as footnotes throughout this report.

Appendix A:

Other Implications

- **1. Resource Implications** Aside from recruiting an Empty Property Officer, there are no implications.
- **2. Business Plan Implications** There are no implications.
- 3. Risk Management Implications

The main risks are:

- <u>Difficulty engaging with private property owners</u> due to the lack of response, in identifying an owner or unwillingness to discuss the empty property with the council. Overseas residency or the property being held as an investment by a pension fund or private equity firm is likely to make engagement difficult. To mitigate this risk a persistent approach will be taken, alongside in the longer term an assessment of the best ways of engaging with owners
- <u>Difficulties administering council powers</u> as highlighted in the interim Strategy Statement, Compulsory Purchase Orders require a large budget up front and Secretary of State approval and Empty Dwelling Management Orders require meeting a specific criteria. These risks will be mitigated by assessing the effectiveness of different approaches over the next year and by making the case for change where needed.

4. Health and Wellbeing Impact Assessment including Health and Safety Implications

The Equalities Impact Assessment highlights that there is no information on private property owners in Westminster and that it is likely that most owners are not vulnerable in any way. However for some owners, the empty property could cause worry particularly if they don't have the means to bring it back into use and where this is the case, supporting owners is likely to lead to positive health and wellbeing outcomes. Any action to tackle any run down or dangerous empty properties will also have a beneficial impact locally.

5. Crime and Disorder Implications

Tackling empty properties may help to reduce anti-social behaviour, vandalism or squatting which can be associated with empty properties, although the numbers that fall into this category in Westminster are unknown and are likely to be small.

- 6. Impact on the Environment The are no implications.
- **7. Human Rights Implications** There are no implications at this stage.
- 8. Energy Measure Implications There are no implications.

9. Counter Terrorism and Security Implications There are no implications.