

Empty Homes Guide for Councillors



The purpose of this guide is to explain all about empty homes. We are asking councillors to support the Council and local communities to bring empty homes back into use. Please can you spread the word in your community about the options available to empty home owners, and encourage them to take action and work with our Empty Homes Officer.

How to report an empty home

Step 1

Collect as much information as you can about the empty home and its owner. A full address can help even more, especially if the property is in a rural location.

Step 2

Contact the Empty Homes Officer, Gillian Reid, on 01946 598475 or at Gillian.reid@copeland.gov.uk

Or

Fill in the 'Report an Empty Home' form on the empty homes webpages on www.copeland.gov.uk.

How do we distinguish between different types of empty homes?

As far as enforcement and council tax records are concerned, their definition of a Long Term Empty (LTE) home is one which has been empty and unfurnished for more than six months.

Council Tax

Our monthly list of long-term empty unfurnished homes is produced by our council tax group.

Properties that are unoccupied and unfurnished will receive 50% discount for three months, reducing to a 10% discount for the remainder of the two-year period. After that, the premium is applied.

If major structural work is to be carried out, the ratepayer can apply for an uninhabitable discount, this is a 50% discount for 12 months.

If a property is unoccupied but furnished, it is classed as a second home.

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How can empty home owners bring their empty home back into use?

The following page from Copeland Borough Council's website contains some ideas:

www.copeland.gov.uk/content/empty-homes

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Introduction

In September 2015, there were over 600,000 empty homes in England, And 200,000 of the 600,000 were long-term empties (empty more than six months).

What problems can empty homes cause?

The negative effect of an empty home on a street and surrounding community can be dramatic.

Empty homes can lead to damp and pests and also attract anti-social behaviour such as vandalism, arson or squatting. This can reduce the value of neighbours' homes.

It is not difficult to spot an empty home in a street. It's usually the neglected one with peeling paint-work, overgrown garden and no-one coming and going. It makes an easier target for people with bad intentions.

Why do people leave homes empty?

There are lots of reasons why homes lie empty.

Sometimes they are for sale, for rent or are being repaired. The previous owner may have died and the person who inherits it can take time to decide what to do with the property. More so if it has been their family home.

If a home needs repair but the owners don't have the money, the property can stay empty. Some owners live away so they are not interested in the empty home, even though it's a valuable asset.

You can read more about empty homes issues at www.emptyhomes.com

What if an owner doesn't want to bring their empty home back into use?

Although we try to help owners, some will not work with us to make their empty property a home again. When this happens, we can use enforcement.

Here are a few ideas to help you decide what to do with your empty home

You can choose to sell using an agent or at a property auction. Or you could use a property-buying company. Our selling tips may make you help to make a sale.

Matchmaking services can match buyers with an empty home for sale. Some can help pay for repairs before a sale.

Think about renting out your empty home. Either let it yourself, use a letting agent or use our social lettings scheme.

Another choice may be property guardianship.

If your home has been empty and not occupied for more than two years, you could save 15% on VAT on a number of repair costs. We're also providing some tips for repairs to your empty home to get you started.

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Selling using an estate agent

Using an estate agent or solicitor

An estate agent or solicitor can look after the whole process of selling your property. They can do valuations, marketing, negotiate the sale price and the financial and legal process.

They can give professional advice like an appropriate asking price. They tend to know the type of buyer who would be interested in the property. And they'll help tell you what to do to increase the chance of a sale. If your property isn't selling, they could tell you if anything is putting off buyers and what to do about it.

It's good to build a relationship with your estate agent or solicitor and contact them often for updates. You need to trust them with a very valuable asset. For example, you can ask how viewings are going and for feedback after a viewing. It's good to keep your property at the top of your agent's mind while it's for sale.

Costs of selling your property

When you put your empty home up for sale, you'll need to budget for various costs, for example, an Energy Performance Certificate (EPC) and fees for marketing the property (brochure, online advertising, arranging viewings).

There will be agents and legal fees for conveyancing and estate agent charges. These can be between roughly 1% and 3.5% for a sole agency agreement. Remember this may not include VAT (at 20%). You may also want to carry out repairs to the property first (see p10-11).

Some agents don't charge upfront costs and only ask you to pay a fee once the property is sold.

How many agents do I need to sell my empty home?

You can have a sole agent, joint sole agents or multiple agents. Usually, if more agents work for you, you reach more buyers. This may get you the highest offers. But you'll also probably pay higher fees.

Multiple agents may be best if there are lots of properties for sale in the area. A sole agent may be best if there are fewer for sale but lots of buyers. A joint sole agreement is when you choose two agents who split the sales commission between them.

It's a good idea to research first which is the best option for you.

Which estate agent to choose?

Choosing the right agent is very important. The right agent could get a really good price, but the wrong one could lose you a sale. Remember, the agent works for you. So how to choose the right one?

- Personal recommendations from friends, family and neighbours
- Stay local? Benefits are that local agents know the area and it's easier for them to meet buyers. But if your property is unusual or expensive, you could choose a national agent who specialises in homes like yours.
- Visit local estate agents and look for a house like yours. How do the agents behave towards you? Do they seem pushy or uninterested?
- Look at the sales brochure in the estate agents and on their website. How good are

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the photos and the text? Do not underestimate the power of a photograph. These persuade people to book viewings. If you're unhappy with the photos, ask to change them. This can make all the difference.

How will the agent market your property?

Good agents are usually proactive and invest in marketing a property to make sure it sells at the best price. Do they advertise in the papers, and if so, which ones? Will they advertise your property in their shop window, and if so, for how long? If your property is more expensive, will they feature it in a national magazine or paper?

- Ask the agent what sales they've made recently of similar properties and how much they've sold for.
- What is their viewing policy? Will they go viewings with buyers?
- Make sure they advertise on the internet on one of the major property 'portals' like Rightmove, Zoopla or Primelocation.
- Make a shortlist of about three agents. Invite them to do a valuation of your property. Ask them the reasons for their valuation. Be careful, as some will value the property higher than others to win your business. They may be doing this to get more commission. The agent who gives the most realistic valuation and impresses you the most may be the best to choose.
- Ask them what they will do if your property doesn't sell as well as expected. Are you happy with their reply?
- Are they open at weekends and able to carry

out viewings with potential buyers?

Online estate agents

These can be much cheaper than local estate agents but there's a big variety in price and quality. They usually advertise your property on websites like Rightmove, Zoopla or Primelocation.

If you choose this route, try to get some local agents to value your home first. This will give you an idea of the rough price for your property. Some online agents will carry out viewings for you. Others may arrange a convenient time between you and a buyer. They may charge you for a 'for sale' board.

Selling your home yourself

You may choose this route and use a website which lets you list your property and market it to potential buyers. But they won't be able to market your house on the big property portals. This means your property may not be seen by so many prospective buyers. Although this seems like a cheaper way to sell your empty home, you may not get the best price and it may cost you more in the long run.

Please use the following links to external companies as a starting point for your own research. We found these companies during online research in June 2016. This could help you decide the best way to bring your empty home back into use. As the council, we can't recommend any one company.

www.rightmove.co.uk

www.zoopla.co.uk

www.primelocation.com

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Selling at a property auction

To sell at auction is quick but you need to be realistic with the price for your property. Don't forget commission charges. If your property needs repairs, this can appeal to buyers wanting to renovate. It can also give hard-up first-time buyers a chance to buy a property at a lower price. And they can take their time to do it when they can afford it.

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Auction House Cumbria

www.auctionhouse.co.uk/cumbria

Property Auction Iamsold

www.iamsold.co.uk

Cumbrian Properties in partnership with HomeSearch Direct (Carlisle) Ltd

www.cumbrian-properties.co.uk/auctions/homesearch

Selling to a property-buying company

Property-buying companies usually offer to buy 'any' residential property, promising a guaranteed sale very quickly (from as little as 10 days in some cases). The catch is they offer below market value.

This type of sale is not for everyone, but may be worth researching if the costs and stresses of your empty property are so great that you just want a quick resolution.

If you decide to pursue this route, it would be a good idea to get written agreement from the company on the agreed offer. This may protect against the offer being reduced once the sale is agreed.

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Property Rescue

www.propertyrescue.co.uk

Quickbuyers

www.quickbuyers.co.uk

Quickmove

www.quickmovenow.com

Sell My House Fast

www.sellhousefast.uk

Selling tips

- Try to get photos taken before you remove furniture. These can be used to market the property. Sometimes it's easier for a buyer to imagine themselves living in a home if they can see what it once looked like when it was a home.
- Keep curtains hanging at windows. These can give a hint of home. Keep lamp shades or light fittings since bare lightbulbs don't show a home at its best. And no lightbulbs at all may mean no winter viewings.
- Go to the property before every viewing if you can for a quick clean and to collect post.

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- Try to keep the property maintained. A burst pipe or leaky water tank could put off a buyer. Keep the house heated if you can, even at a low heat. This may help stop all sorts of problems. Some light will also make a difference, especially during winter.
 - Clean windows inside and out. Replace broken lightbulbs. This helps make the house feel light and airy. Rooms feel bigger and more attractive to a buyer.
 - If you can, give your walls a fresh coat of neutral paint. It can make your home seem lighter and bigger. Even painting the front door can help make a good impression.
 - And doing any minor repairs like putting filler in holes in walls or replacing washers to stop taps dripping may make a difference.
 - De-clutter if needed. This can make rooms feel bigger so buyers can imagine the space if they were living there.
 - In the garden, cut the grass, trim bushes, clean dirt and moss from the patio. This shows buyers the house is still cared for.
 - Is your property still not selling? You could furnish it short-term. Don't furnish with poor quality furnishings. This won't increase its appeal, and you need to let council tax know if you furnish the property.
- Remember that, as a landlord, you are running a business. You'll need money for maintenance and repair of the home. One benefit of being the landlord yourself is that you are in control and do not have to pay any rent to an agent. If you are not sure what rent to charge, check the average rent for a similar type of property in a similar location. One way to do this is to ask local letting agents.
- To find a tenant, you could advertise in a local paper, in a shop or online. However, you will need to carry out proper checks on potential tenants and get a tenancy agreement drawn up. If you do not choose your tenant carefully, it could end up costing you a lot of money. You are responsible if something goes wrong.
- There is a lot of helpful information for landlords on the internet, and the following may help your research:

North West Landlords Association (NWLA)
www.northwestlandlords.com

Residential Landlords Association (RLA)
www.rla.org.uk

National Landlords Association (NLA)
www.landlords.org.uk

NICEIC Electrical Contractors (an independent body for electrical installation)
www.niceic.com

Gas safe register is the official list of gas engineers who are qualified to work safely and legally on gas appliances
www.gassaferegister.co.uk

Federation of Master Builders (FMB)
www.fmb.org.uk

How to let your empty home

Would you like to be a landlord and rent out your empty home?

You'll need to make sure that your empty home meets certain housing standards.

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National Federation of Builders (NFB)
www.builders.org.uk/nfb11/home.eb

British Property Federation (BPF)
www.bpf.org.uk

Tenancy deposit protection

If you rent your empty property on an assured shorthold tenancy, you have to place your tenant's deposit in a tenancy deposit protection (TDP) scheme. You need to put the deposit in the scheme within 30 days of getting it.

www.gov.uk/tenancy-deposit-protection/overview

Would you like someone else to be the landlord?

You can use a letting agent to rent out your empty home for you. But they will charge you a fee for doing this. Letting agents offer different services. Here are some things they can do for you:

- Find a tenant
- Check tenant references
- Look after tenancy agreements
- Collect rent for you
- Full management

Bear in mind that if you choose full management, it can cost you about 15%. It's a good idea for you to do your research carefully to find a good letting agent. The Association of Letting Agents (www.arla.co.uk) or the National Approved Letting Scheme (www.nalscheme.co.uk) can help you decide.

Property guardianships

What is it?

- It can help keep a property 'lived in' and secure.
- If you have guardians living in your empty home, it means you could pay less council tax and insurance.
- Guardians living in a property can spot things that have gone wrong so they can be dealt with quickly.
- Guardians are not tenants and it's not a tenancy. Instead, the property guardianship company grants a guardian a licence to occupy a unit.

Who are the property guardians?

Guardians are strictly vetted and usually people who need flexible and affordable accommodation. Many are professionals, key workers or mature and post-graduate students. It can also include people saving a deposit to buy a house and people 'trying out' living in an area before they buy. It can include people who need accommodation for career purposes like nurses and engineers. Usually there are strict rules for guardians. Rules can include no pets allowed, no children, no parties and no smoking or naked flames.

How does it usually work?

When an owner is interested, the property guardian company usually arranges a visit to see if the property is suitable. Guardians shouldn't be able to occupy a property until it has been assessed for fire safety and decent heating, for example. Some property guardian companies can pay for and carry out repairs if needed. Usually

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the owner grants the property guardian company a Property Protection Agreement for the premises.

The owner and property guardian company usually have the right to enter the property at all times. And there may be no set period of contract, for example, just 31 days' notice for hand-back.

Property guardianship doesn't appeal to all empty home owners as there are not big financial benefits, but it could appeal to those with a social conscience. It may be good for those whose properties take a long time to sell as it would keep the property lived in and in a viewable condition.

Although there has been negative press recently about some property guardianship organisations, there have also been positive stories. There is no overall regulatory body at the moment for property guardianship, so the decision on which company to choose (as owner or guardian) will be down to your careful research.

You may like to read this article from The Herald newspaper, from January 2016.

www.heraldsotland.com/news/14213203.
More_Scots_becoming_property_guardians_to_save_on_costs

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Adhoc
www.adhoc.eu

Camelot
www.uk.cameloteurope.com

Elite Guardians
www.elite-guardians.com

Global Guardians
www.global-guardians.co.uk

Save 15% VAT on your repairs

Has your empty home been unoccupied (continuously) for two or more years?

If so, we can help you save 15% VAT on lots of your repair costs. If you use a VAT-registered contractor and you don't buy materials or do the work yourself, you can make great savings.

We can write you a letter confirming how long the home has been empty. Just give that letter to your builder and they can charge you only 5% VAT (instead of the usual 20%) on lots of services. You just need to check first with our council tax team on 01946 598300 that you are the named owner of the property.

NICEIC Electrical Contractors (an independent body for electrical installation)
www.niceic.com

Gas safe register is the official list of gas engineers who are qualified to work safely and legally on gas appliances
www.gassaferegister.co.uk

Federation of Master Builders (FMB)
www.fmb.org.uk

National Federation of Builders (NFB)
www.builders.org.uk/nfb11/home.eb

British Property Federation (BPF)
www.bpf.org.uk

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Empty home repairs tips

Planning permission and building regulations

Before you make any changes to the property, check with our planning and building control teams in case you need permission first. Check if you're not sure if it's a listed building as you may need listed building planning consent.

www.planningportal.co.uk

This has interactive links and all the information needed for both building control and planning.

www.copeland.gov.uk/section/householders

This link is to Copeland Council's building control page.

Getting a price for your repairs

It's best if you can have a professional survey of works needed to your empty property. Try to get three quotes for costs of any repairs but, if you can't, there are still things that you can do yourself. Here are some suggestions:

Roof

Look at the roof for missing tiles, slates or any other damage. If it's a flat roof, check for blisters or cracks.

Flashings

Check for cracked or missing parts of flashings, particularly along the base of chimneys, the walls of adjoining properties and the top of the roof.

Chimneys

Check the stone or render on the chimneys for cracks or gaps. Check out the pointing and make

sure the chimney pots are not loose. Check the sides aren't bulging or leaning to one side.

Gutters and downpipes (rainwater goods)

Are these rusting, do they have any cracks, missing bits or fixings coming loose? If there are damp patches on walls, it could be that something is leaking. Weeds growing from gutters may be due to a blockage.

External walls

- Lintels: are there cracks or decay in stonework above doors or windows?
- Cills: are there cracks or decay in stonework below windows?
- Stonework: are there cracks, flaking or loose or decaying stonework?
- Pointing: are there gaps or crumbling joints in the stonework?
- Render: is the render loose or flaking?
- Bulges or leaning walls: is anything sticking out or leaning? This could mean structural problems.

Windows

Check wooden window frames for damage or decay. If you have sash windows, check the cords and pulleys are working well. Is there missing or flaking putty which needs replaced? Will the windows need draught-proofing?

The seals on double-glazed windows need checking. Look for signs of misting between the panes of glass. Check for missing or blocked trickle vents. Can they open and close easily with a tight seal?

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Roof spaces

Check joists, rafters and joints between the roof and other surfaces. Look for signs of water damage like damp patches, stains, moulds, rotten timbers or attacks by insects.

- Water tank: tanks and pipes should be insulated to stop freezing. Check tanks are covered and if there are lead pipes.
- Insulation: is there any insulation in the roof space or on tanks?

Check inside the property

- Top floor: check there are no signs of water damage (like damp patches, stains or mould) on walls and ceilings. These may be caused by problems with the roof.
- Stairs and landings: check for uneven steps or cracks between stair treads. Are any banisters or rails missing? Check for loose or cracked plaster on walls. Check condition of locks on doors and windows on stairs.
- Rooms with an outside wall: if there are damp patches, stains or moulds, this could be caused by leaky gutters or downpipes, missing pointing or problems with external stonework.
- Rooms at ground or basement level: check around the lower part of walls for damp patches, stains or mould. This could be caused by damage to external pointing, stonework or rising damp.

Outside the property

- Air vents: make sure these are covered so nothing can get in and that they are clear of the ground.

- Drains and gates: are these collapsing or blocked and need clearing?
- Railings and boundary walls: do these need repaired?
- Paths: are there uneven bits which need repair?
- Trees: check any trees which are too near to the house. The roots might upset the foundations of the property.

The following websites provide a lot of useful information:

NICEIC Electrical Contractors (an independent body for electrical installation)
www.niceic.com

Gas safe register is the official list of gas engineers who are qualified to work safely and legally on gas appliances
www.gassaferegister.co.uk

Federation of Master Builders (FMB)
www.fmb.org.uk

National Federation of Builders (NFB)
www.builders.org.uk/nfb11/home.eb

British Property Federation (BPF)
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