

## Options for Enforcement against Empty Homes:

- 1.1.1 Compulsory Purchase Orders (CPO) are the most powerful tool available to the Council. A CPO<sup>1</sup> has to be awarded by the Secretary of State subject to a proportionality assessment. If awarded, a CPO gives the Council ownership of the property with the previous owner being entitled to appropriate compensation. Guidance<sup>2</sup> states that CPOs should be considered on their merits as a last resort where owners have refused or failed to co-operate. Where the Secretary of State confirms such an Order, the acquiring Council would normally be expected to dispose of the properties acquired<sup>3</sup>. An effective means of bringing a property into use is to sell the empty homes at auction under leasehold only, with a covenant of 12 months to fully renovate the home and bring it back into occupation. The new owner can then apply for the freehold at a nominal fee once the Council is satisfied. This process is fairly widely utilised in areas such as Derby and Birmingham. The compensation awarded to the owner would be the price paid at auction, as this is a transparent process for arriving at a valuation<sup>4</sup>.
- 1.1.2 The Council has the power to apply for an Empty Dwelling Management Order<sup>5</sup> as a means of bringing a home which has been empty for more than 2 years into use. This order operates as a compulsory lease, enabling the Council to undertake repairs and arrange occupation of the property. This approach would be most appropriate for properties which require only modest repair prior to occupation.
- 1.1.3 The Council can undertake the necessary works and then attach a 'charge' to the property on the Local Land Charges Register. As a result of this charge the Council can then follow the enforced sale procedure to collect on the charge<sup>6</sup>.
- 1.1.4 Provision of loans to enable owners to undertake the works themselves. The Coalition Government made funding available via the 'Empty Homes Loan Fund' in 2011 but the scheme was abandoned in August 2014 due to low take up<sup>7</sup>. This result is echoed by the Council's

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<sup>1</sup> <https://www.gov.uk/government/publications/compulsory-purchase-and-compensation-booklet-1-procedure>

<sup>2</sup>

<http://webarchive.nationalarchives.gov.uk/20120919132719/www.communities.gov.uk/documents/housing/pdf/138826.pdf>

<sup>3</sup>

<http://webarchive.nationalarchives.gov.uk/20120919132719/www.communities.gov.uk/documents/housing/pdf/138826.pdf>

<sup>4</sup> <https://www.gov.uk/government/publications/compulsory-purchase-and-compensation-booklet-4-compensation-to-residential-owners-and-occupiers>

<sup>5</sup> The Housing (Empty Dwelling Management Orders) (Prescribed Period of Time and Additional Prescribed Requirements) (England) (Amendment) Order 2012 (S12012/2625)

<sup>6</sup> <http://www.nplaw.co.uk/enforced-sales/>

<sup>7</sup> <http://www.insidehousing.co.uk/3m-empty-homes-loan-scheme-scrapped/7005023.article>

participation in the West Midlands Kick Start scheme which provided loans for the repair of occupied properties; levels of interest were very low and the scheme proved complicated to administer.