

*“When I first started working to bring empty homes back into use nearly a decade ago I remember many people saying “So much more could be done if only councils had the power to act”. They were right. The Empty Homes Agency had been successful in persuading councils that bringing privately owned empty homes back into use was their responsibility, but to an extent councils were toothless when it came to dealing with properties owned by people who were intent on leaving them empty.*



*We came up with, and campaigned for an answer to that problem. It was what became Empty Dwelling Management Orders. It was a hugely successful campaign, at the time there was support across the political spectrum and support across the housing and property industries. The power was introduced in the 2004 Housing Act and became available for councils to use in July 2006.*

*The fact that since then councils have used the legislation only seventeen times is something of a disappointment. Yes councils can get homes back into use without using the legislation and yes some owners have brought their properties back into use without the council needing to complete the EDMO. But nevertheless, does seventeen EDMOs in two and half years indicate councils are doing all they can? It doesn't really look like it. But there is no firm evidence to say with certainty.*

*Today the numbers of empty homes in England has risen to 762,000 the highest for many years. With record levels of homelessness and fewer new homes being built, it has never been more important that councils do as much as they can. With all three political parties saying more needs to be done, and the housing minister herself calling for more council action on empty homes the timing of this dissertation could hardly be better”.*

*David Ireland*

*Chief Executive  
Empty Homes Agency*

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**Chapter 1**  
**Introduction**

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## **1.0 Introduction**

### **1.1 The Issue**

England has a problem with empty dwellings. They cause social problems, degradation and they attract crime, yet it is a paradox that as a nation we also suffer from an unacceptably high level of homelessness.

With 8 out of 10 empty dwellings lying in private ownership, councils have long called for increased powers to act to bring these dwellings back on line quickly.

The Housing Act 2004 introduced the Empty Dwelling Management Order (EDMO). This legislation was heralded as being a powerful weapon in the armoury of local authorities wishing to tackle privately owned empty homes.

The legislation was seen as plugging the gap between informal action and enforcement action by local authorities.

To date, only 22 interim EDMOs have been granted. (*Residential Property Tribunal*) On the face of it, with nearly 1 million empty homes in Britain (*Ireland, D 20090*), the legislation appears to have been a failure.

### **1.2 Focus of the Study**

This dissertation will conduct a review of the use of EDMO to date and explore the views and attitudes towards EDMO amongst empty property practitioners. The dissertation will investigate the wider picture and establish if, and why the legislation is not working as intended.

Consideration will be given to improvements to the implementation of the legislation as appropriate.

The study will seek to establish whether regional variations in the use of EDMO exist and attempt to identify areas of best practice.

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## **Chapter 2**

### **Methodology and Structure of Study**

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## **2.0 Methodology and Structure of Study**

### **2.1 Hypothesis**

The hypothesis which this dissertation seeks to investigate is that:

***‘The true effectiveness of Empty Dwelling Management Orders in returning empty dwellings back to use is far greater than the headline figures suggest.’***

### **2.2 Aim**

In order to test the above hypothesis this dissertation’s key aim is to explore the true extent to which the EDMO is influencing the return to use of empty dwellings.

### **2.3 Objectives**

This study will seek to achieve this aim through a number of objectives:

- identify the reasons that dwellings fall empty
- identify the problems associated with empty dwellings
- identify why properties fail to return to use
- explore the issues of homelessness
- investigate what motivates local authorities to deal with empty dwellings
- the local authority response to empty dwellings
- to explain the enforcement options available to local authorities
- introduce and explain the operation of EDMOs
- to review the use of EDMO to date
- to conduct case studies on a small number of representative local authority empty homes departments
- to perform an in-depth study of the use of and attitude towards EDMO and its alternatives

## **2.4 Dissertation Outline**

The initial section of this work will review the literature available surrounding the issue of empty dwellings in England. The literature review will be based on library searches, computer data base searches, government publications and press articles.

The review will include information obtained during a fact finding visit to London where a personal interview with David Ireland, Chief Executive of The Empty Homes Agency was conducted. A meeting was also held with Nick Long, Lewisham Council's empty homes officer.

Gareth Spicer, Deputy Regional Manager for the London Rent Assessment Panel was good enough to spend time on a number of occasions discussing this study and provided much valuable information. Study visits to Wirral Metropolitan Borough Council and Manchester City Council formed an integral part of the research.

The literature review will summarise central and local government policy in the area of the management of empty homes. The study will also examine what methods are available to local authorities to deal with empty houses and introduce EDMO.

Three case studies were carried out on local authority empty homes departments that were chosen for the differing attitudes that they hold towards the use of EDMO.

An email survey of all local authorities in England was conducted via the Bristol on-line system and the results analysed using SPSS analytical software.

The research will seek to prove or disprove the study hypothesis and conclude with strengths and weaknesses of the EDMO process highlighted and make recommendations for the improved use of EDMO and further research in this area.

## Methodology and Structure of Study

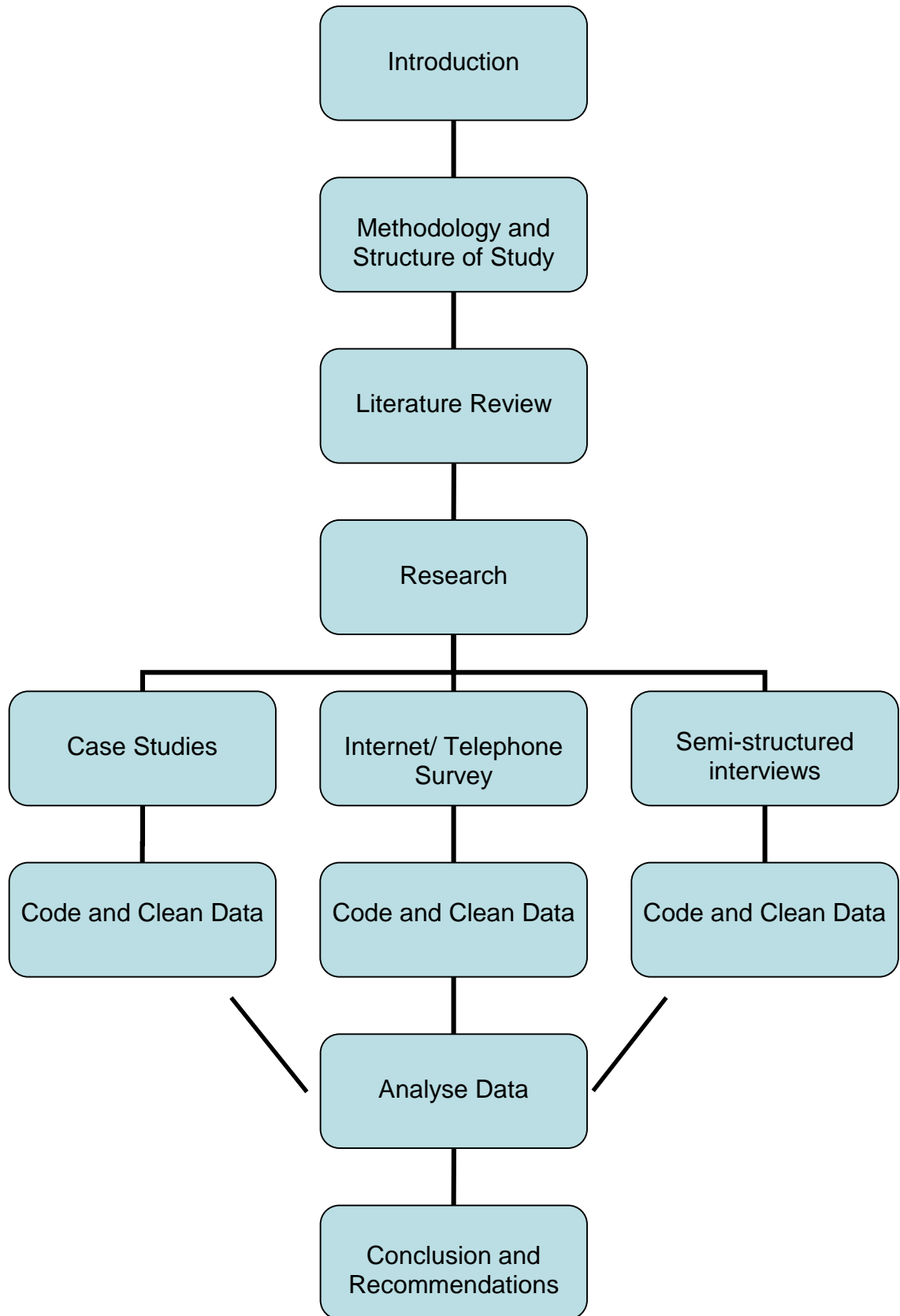


Fig 1

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## **Chapter 3**

### **Empty Dwellings - What's the Big Issue?**

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### 3.0 Empty Dwellings – What’s the Big Issue?

#### 3.1 Introduction

There are, by some estimates, approaching 1 million empty homes in the UK. (Porter, A & Kirkup, J 2009) In April 2008, there were 697,055 dwellings classified as empty within England according to UK Government figures. That is 3.1% of the nation’s total housing stock. (DCLG - Housing Strategy Statistical Appendix 2008)

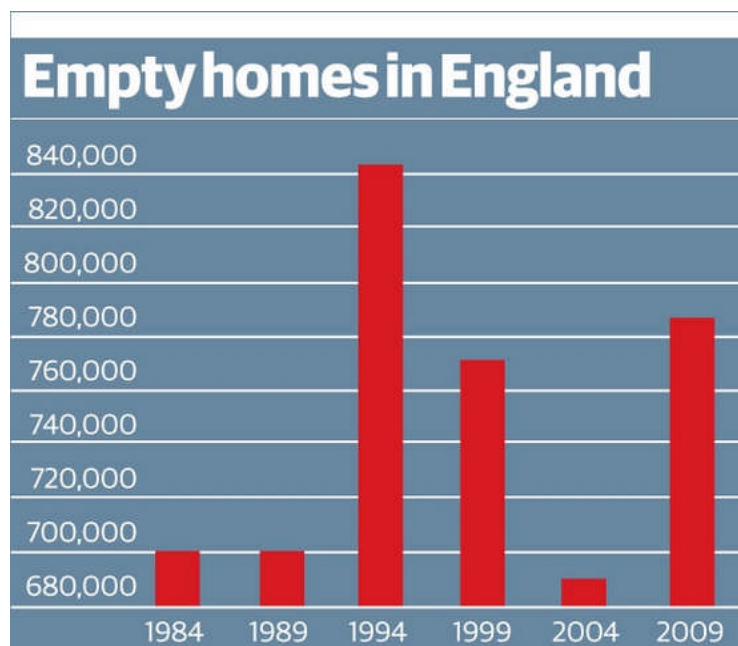


Fig 2

(Brandon, S Inside Housing 2009)

Following a peak in the mid 1990s, the numbers of the numbers of empty homes had been declining. However, after an all time low in around 2004, the numbers are increasing at the fastest rate for 17 years. (Lloyd, T, 2009)

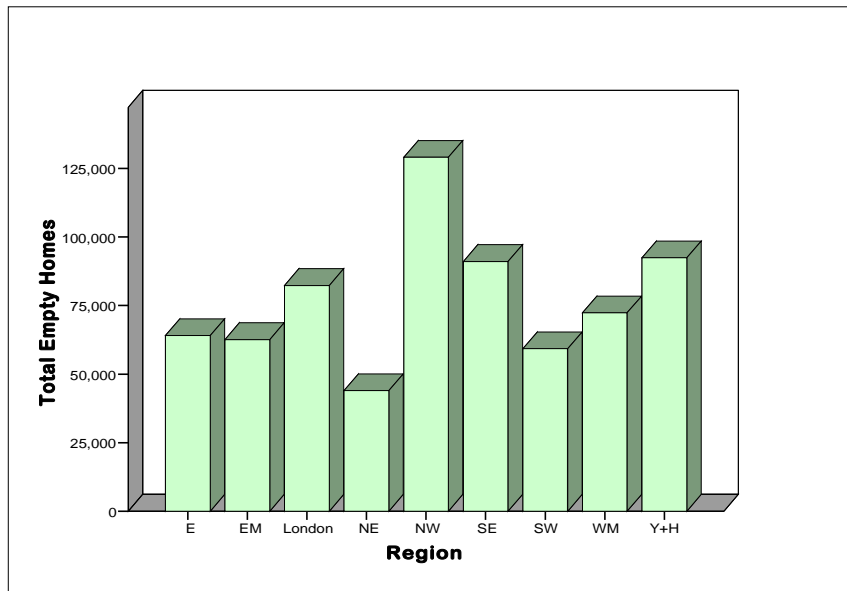
There are also long data lags with housing figures (Porter, A & Kirkup, J Daily Telegraph 2009) and consequently, the numbers available do not take into account the full impact of the credit crunch on the housing market. There is a school of thought that official figures may not portray the complete picture and that the actual outlook is far bleaker with the most recent figures being those up to April 2008.

*“We fear worse is to come and we predict the total [empty dwellings] for the UK will exceed a million this year”*

(Ireland, D 2009)

These are headline grabbing numbers. It should be remembered, however, that although these figures include all publicly and privately owned dwellings; also included are dwellings that are actively being offered for sale or rent and those under probate following the owner's death.

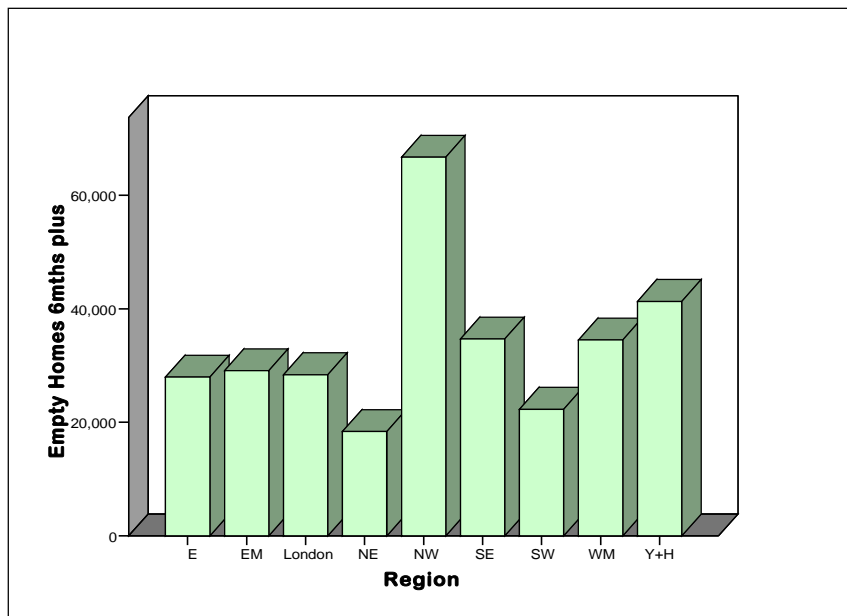
**Total Empty Dwellings in England by Region**



**Fig 3**

The figures also include a number of social dwellings that have reached the end of their serviceable life and are awaiting demolition.

**Total Empty Dwellings (6 months plus) in England by Region**

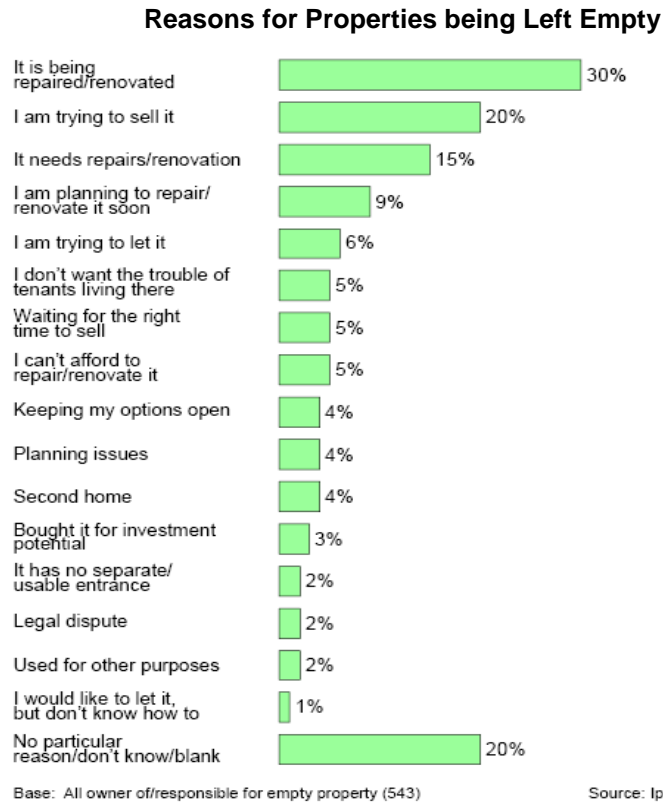


**Fig 4**

The properties empty for over 6 months is a more accurate representation of the persistently empty dwellings as this tends to discount houses that are temporarily empty due to sales, refurbishments and so on.

### 3.2 Causes of Empty Dwellings

The individual reasons for dwellings to become empty are as diverse as the empty properties themselves. The following is an extract from a recent MORI survey of reasons for homes being empty in London.



**Fig 5**

#### 3.2.1 Housing Market

There are those properties that have been bought for speculative reasons by developers and investors. Many wealthy individuals and organisations bought up properties during the economic boom years; where it was possible to make money on a property simply by reselling it some time later, relying on capital appreciation to create a healthy return upon the initial investment. Frequently, such owners would leave the properties unoccupied to prevent the complications of having to deal with tenants. This phenomenon was reported in the London Evening Standard and referred to as buy-to-sit, where the owners had no intension of ever letting out their properties as their only goal was capital appreciation. *(Bar-Hillel, M 2007)*

With the sudden change in the economic climate “the most serious global recession for, I’m sure, over 100 years” *Ed Balls, Cabinet Minister 2009 (Porter, A & Kirkup, J Daily*

*Telegraph 2009*) and the consequent downturn in the housing market, most dwellings have declined in value by a UK average of 7.6% in the 12 months to February 2009 (*Land Registry*).

**Belmont Grove, Birkenhead**



**Fig 6**

Many investors and developers that bought properties with the intention of turning them around at a profit have found that they are unable to sell them at the level of price that they need in order to break even. Such properties are not selling and with investors reluctant to lose money, the prices being demanded have remained stubbornly and unrealistically high.

**Multi-million pound mansion lying empty – Meols Drive, Hoylake**



**Fig 7**

Many of these speculative properties have been empty for some time and would only be suitable for occupation following repair and improvement.

The property market in the early part of 21<sup>st</sup> Century became distorted by the buy-to-let investors. Effectively, many thousands of people took advantage of the availability of cheap credit to buy additional dwellings in order to rent these out. Traditionally it tended to the 'lower end of the market' homes, those suited to the first time buyer, that were the popular choice for this type of investor. Many buy-to-let investors do not have large reserves of capital behind them and were allowed to borrow against the rental value of the property, with little consideration given to the financial reserves of the borrower.

There are now numerous properties of this type on the rental market. Traditional first time buyers are unable and unwilling to buy at present and demand for the best rental houses is buoyant. It is the less desirable homes that are suffering as competition for reliable, quality tenants has become fierce. Frequently, it is a condition of the mortgage or house insurance that rental properties can only be let to working tenants and not those in receipt of benefits. Those houses that don't quite measure up do not attract suitable tenants and remain unoccupied. It is easy to see how owners of poor quality rental properties will struggle to raise the funds needed to maintain and improve dwellings that are not generating an income. Even if improved, the properties could potentially fail to secure tenants due to the competitive nature of the market at present.

### **3.2.2 Disrepair**

Renovation costs can be extremely high. In many surveys, disrepair is stated as the commonest reason why properties are left empty. Often, the owner of a dilapidated property may have the desire to live in it or rent it out, but finds the necessary work either too expensive or overwhelming in scale. There may well be practical and financial assistance available, however, it is often the case that owners of empty properties are either not aware of these initiatives or there may be other barriers that prevent them from taking advantage of the help available.

### **3.2.3 Socio-economic Factors**

An interesting factor that emerged during research was that mental and physical health issues play a large part in certain properties falling out of use and becoming run-down. During a study visit to Lewisham in East London, it was

noted during a tour of empty properties accompanied by Nick Long, the Empty Homes Officer for Lewisham Council, that a surprisingly large proportion of the properties had become disused due directly to the owner's inability to deal with running the household because of illness or infirmity.

The demographics of an area can influence the number of empty dwellings. Historically, depopulation trends have led to dwellings falling out of use. Areas become more or less popular with the passing of time and the availability of employment. In 1981, unemployed 'Northerners' were famously told "to get on your bikes and look for work" by the then employment secretary, Norman Tebbit. Although this was later claimed to be a misquote, the government of the day clearly appreciated the reality of economic migration (and consequent depopulation) within England. Sudden surges in crime can accelerate depopulation as people make efforts to leave an area for a quieter life. Whatever the particular causes of depopulation, the effect is that dwellings fall out of use. Depopulation inevitably leads to a reduction in social service provision, such as schools and leisure facilities. *(Wyatt, P 2006)*

### **3.2.4 Over Supply**

A number of areas of the country, Liverpool being a particularly stark example, have an over supply of certain types of dwelling. In the case of Liverpool, a huge number of high quality apartment-style developments have sprung up in the last few years. Thousands of these residences were built around the city centre. The developers sold many of the units 'off-plan' and the subsidised building projects transformed the city skyline. One factor seemed to have been overlooked, however. There appears to be a distinct lack of residents wishing to live in a city centre *and* who are willing to pay the very high prices being demanded. As a result as many as 15,000 of the 27,000 new-build flats, that is 35%, are unoccupied. *(Innes, C 2007)*

In response to the slow down of the housing market, a noticeable number of developments have stopped. Buildings are deliberately being left unfinished. This is a matter of pure supply and demand economics. The companies concerned are unwilling to complete buildings that they will then need to

maintain until they are able to sell them as originally intended. These incomplete dwellings are not included within the empty homes statistics.

### **3.3 The Problems Caused by Empty Dwellings**

Empty dwellings do not contribute anything to a community. An unoccupied dwelling is effectively dead. It has little or no economic activity associated with it. There is no rental income generated for the owner, there is generally a greatly reduced amount of taxation that can be generated from it for the local authority, the utility companies make no revenue and the local community does not enjoy the spending power of the residents.

The UK government accepts that empty properties can also act as a locus for crime, both in terms of falling victim to vandalism and degradation, but also running the potential risk of being taken over for criminal purposes such as cannabis farms and crack houses. ([www.direct.gov.uk](http://www.direct.gov.uk))

The link between empty property and crime is by no means a uniquely British phenomenon. Empty dwellings around the globe present easy pickings for criminals.

*“When foreclosures rise, crime often follows, researchers said. A 2005 study by the Georgia Institute of Technology and the Woodstock Institute found that, holding other factors constant, each foreclosure in a 100- house neighbourhood corresponded to a 2.4 percent jump in violent crime”.*

*(Mummolo, J and Brubaker, B 2008)*

This negative influence has a detrimental effect on the neighbourhood at large and using the barometer of house prices, empty dwellings can be seen to drive down the property values of an area.

**Belmont Grove, Birkenhead**



**Fig 8**

Research by Haart Estate Agents has shown that the impact of empty homes on a street outweighs that of being on a flight path or in the vicinity of a bar with a late licence. The research showed that an empty, derelict or run down house can wipe up to 12 per cent off the price of a (neighbouring) house. *(Nurton 2009)*

**Belmont Grove, Birkenhead**



**Fig 9**

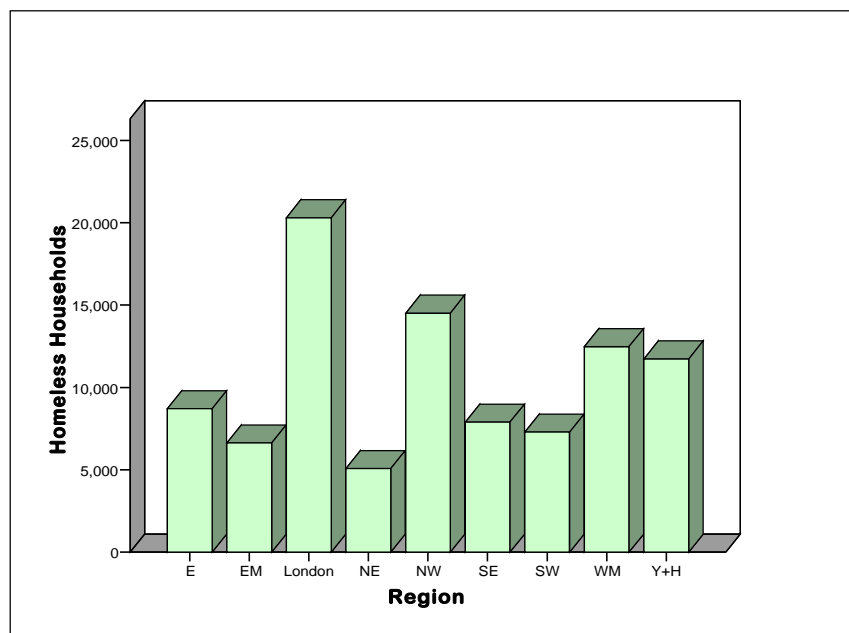
In December 2007, The Halifax Bank published the results of its survey into the effects of empty homes.

- The survey revealed that 1 in 4 people in England are affected by empty homes in some way
- 27% of people have lived in the same street as an empty house
- Those living near an empty house claim that the value of their property is reduced by 22%
- A quarter believed that an empty dwelling on a street would have a negative influence of potential buyer in the area
- 20% believed that an empty house on a street would attract crime
- The survey also suggested that it was not just house prices that were influenced by empty properties, 'it was shown that 12 of 15 local authorities with a high level of private empty homes rank among the 20% most deprived areas in England. (Halifax Bank 2007)

### 3.4 Homelessness

Homelessness in the UK is a major problem. The latest figures show that in 2008 there were 94,530 homeless households within England (Shelter, 2008). Homelessness can be viewed as being a symptom of a whole range of socio-economic problems.

**Regional Pattern of Homelessness**

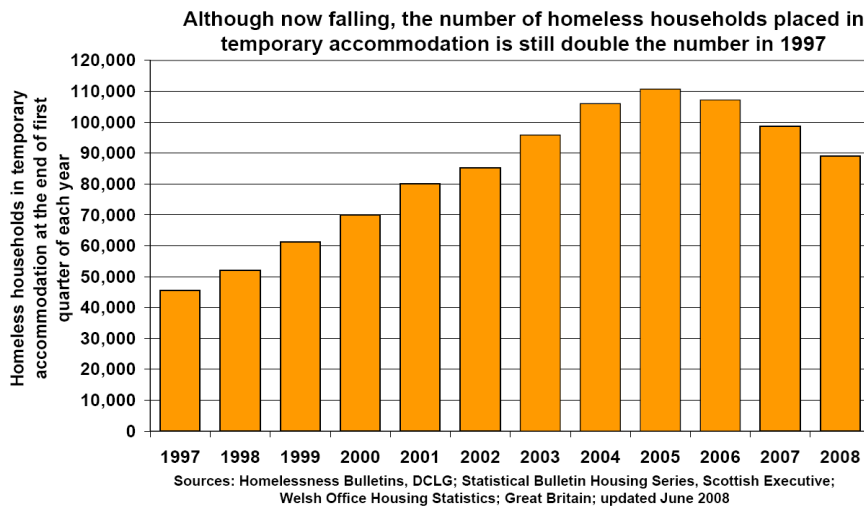


**Fig 10**

(Shelter 2008)

Those counted within the homeless statistics are not just the visible and overt homeless population, as often seen in town and city centres the length of the country. There is an invisible population that live in temporary accommodation.

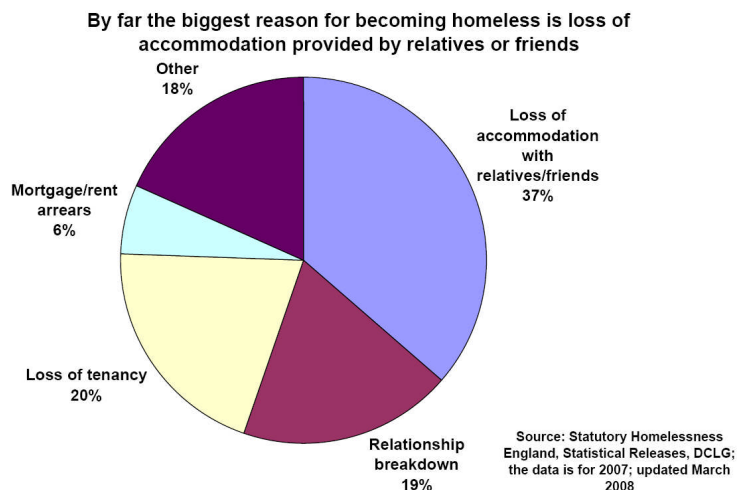
Whether this is in bed and breakfast guest houses or hostels and the like, the occupants do not have anywhere that they can call 'home'.



**Fig 11**

(from [www.intute.ac.uk](http://www.intute.ac.uk))

Mental health, family and relationship breakdown, and an acute lack of suitable and available social housing all contribute to this unacceptably high figure. As well as being a symptom of socio-economic problems, homelessness places extra demands on the benefits system and on local social services. The detailed problems associated with homelessness are beyond the scope of this report.



(from [www.intute.ac.uk](http://www.intute.ac.uk))

**Fig 12**

Politically, homelessness carries great importance and it is a paradox that there are 697055 empty dwellings in England and 94,530 homeless households. That means for every homeless household, there are over 7.3 dwellings lying unoccupied.

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## **Chapter 4**

### **Motivation to Deal with Empty Dwellings**

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## 4.0 Motivation to Deal with Empty Dwellings

### 4.1 Introduction

Empty dwellings are an undesirable feature of the built environment, representing a huge waste of resources.

The Chartered Institute of Housing's latest estimate is that the UK creates 223,000 new households each year and that last year only 100,000 new homes were built. The Institute also highlights the fact that due to the decline in the housing market, far fewer new homes will be built this year. *(Institute of Housing, 2009)*

It is clear that the demand for housing is on the increase; however the numbers of homes lying vacant remains stubbornly high. There has historically been around 80% of the empty housing stock lying in private hands. *(Chartered Institute of Housing 1985)* In 2008 the total figures for empty dwellings in England was 697,055 with 613,270 lying in private ownership, this is around 89%, with 303,205 of these having been empty for 6 or more months. *(DCLG 2008)*

Theoretically, the market forces of supply and demand should allow a state of equilibrium to be reached whereby the value of property (or rent) should reduce due to the healthy supply of empty dwellings, met part way by an increase in the value attached to accommodation due to the high demand from homeless people. Writing in the 12<sup>th</sup> century Ibn Taymiyyah described market forces as:

*"If desire for goods increases while its availability decreases, its price rises. On the other hand, if availability of the good increases and the desire for it decreases, the price comes down."* *(Hosseini, Hamid S 2003)*

Unfortunately, for a range of reasons, the supply and demand for housing does not act perfectly and fails to accurately reflect market forces. General housing trends and speculation lead house price rises and generally increased demand for rental property and costs lead to rent increases. Equilibrium, where demand and supply satisfy each other is unlikely to ever be achieved. The key issue is that although empty dwellings are just not currently lived in, a very large proportion are not actually available for habitation in areas where people want to live and, crucially at a price that they can afford.

It is for this reason that a degree of intervention at local and national level is required to force the supply of available homes to increase and reduce the damaging effect that empty dwellings have on their surroundings.

There is no statutory obligation upon local authorities to tackle the issue of empty dwellings. Local authorities are, though, concerned with the issues relating to blight and degradation that often accompany unoccupied residences. Issues such as degradation, crime, disorder and homelessness are politically sensitive and ensure that empty dwellings and the issues surrounding them are prominent on the local political landscape.

#### **4.2 Public Pressure**

Councils are led by elected officials and are principally run for the benefit of the community that they serve. Although there is no statutory obligation upon local authorities to deal with empty dwellings per se, they are bound legally to deal with many of the issues caused by them. Additionally, there is an implied duty to respond to the concerns and complaints raised by those that live within their authority area. A local authority should therefore consider itself to be duty bound to explore and consider all the options for dealing with problematic empty dwellings. Liverpool City Council, for example, receives over 1,000 complaints annually regarding the blight caused by empty properties. (*www.liverpool.gov.uk*)

#### **4.3 Politics**

Empty dwellings have become a prominent feature within the political landscape with each of the three major political parties at Westminster having a distinct and considered policy regarding their return to use.

Margaret Beckett MP, recently urged local authorities to take firmer action in returning properties to use and take advantage of the management tools at their disposal to tackle the blight caused by vacant homes. (*Land, J 2009*)

David Cameron MP, the leader of the opposition, calls for amongst other things, a reduction in the number of constraints on the way in which housing associations can spend their funds. The Conservative Party wants to allow them to take over empty dwellings with the express intention of being able to sell

them in the future instead of being constrained by having to offer long term social tenancies. *(Sparrow, A 2009)*

The Liberal Democrat Party is calling for a repair and renewal loan scheme for empty property owners, a £40m fund for short-life housing and a reduction in the VAT liability of renovation work. *(Thorpe, C 2009)*

Each of these suggestions represents a strategic approach to the problem of empty dwelling management and not one of them is a headline grabbing vote winner. They are serious proposals designed to solve a problem and not necessarily win votes, such is the importance placed by the political parties upon this issue.

Although the employees working within local authority departments around the country are not directly influenced by party politics, the political makeup of the elected council members can have a profound influence over local policies.

Often reflecting the views of the central government parties, the political leaning of the council members will shape housing policy within each area of the country. This leads to a great variation in aspects such as the standard of training, the provision of budgets for tackling issues such as empty homes and even the importance placed upon social issues such as homelessness.

#### **4.4 BVPI 64 – Return to Use of Empty Dwellings**

The performance of local authorities has been measured by the Audit Commission on a regular basis. In the performance-based public sector culture that has been fostered by the current Labour Government, performance is used as ‘a carrot to reward and a stick to beat’. One of the key performance indicators used by the Audit Commission to judge a local authority’s performance in terms of housing is ‘Best Value Performance Indicator 64 – Return to use of empty dwellings’ (BVPI 64). This has rated local authorities by the numbers of vacant dwellings returned to use (or demolished) through their intervention.

The Audit Commission allows local authorities to claim successful interventions provided that an action has genuinely contributed to the return to use or demolition of an unoccupied house. Below is an indicative list of the actions that it might consider to be within the parameters of what can be claimed as positive intervention.

- Grants, loans or other financial assistance either provided or facilitated by the authority
- Leasing arrangements
- Advice given to owner which is followed and results in the empty dwelling being returned to use, for example provision of advice on:
  - i) The authority's empty homes strategy
  - ii) Options on sale and letting issues
  - iii) Grants, other financial assistance and availability of tax concessions
  - iv) Landlord forum or accreditation scheme
  - v) Repairs including details on building contractors meeting minimum standards
  - vi) Referral to RSL (registered social landlord) or other intermediary with relevant expertise
- Enforcement action, including repair notices, CPO, works in default, enforced sale
- Helping a landlord to re-let through a local authority rent and deposit scheme
- Enquiries made to find owner of property and follow-up action

*(Audit Commission 2007)*

#### **4.5 Finance**

Other than the pressure to perform and comparison with other authorities, there is a very real financial incentive for the re-use of vacant dwellings. Properties that are lying vacant generate a reduced income from council tax or poll tax as it is popularly known. Although some local authorities give no discount on council tax when a property falls empty, many authorities in England give 100% rebate for 6 months and then charge a reduced rate of 50% from 6 months onwards unless the dwelling is uninhabitable, where the discount can be up to 12 months. *(Wyatt, P 2006)* These discounts represent a large amount of lost revenue

with the average council tax levied nationwide for a typical house (Band D) being £1373 for 2008-9. *(ODPM 2008)*

Forcing action on empty dwellings, for example through enforced sale, can also provide the opportunity for a local authority to reclaim monies owed for essential works carried out by the authority in default of the owner and any outstanding council tax debts.

#### **4.6 Crime & Regeneration**

The Crime and Disorder Act 1998 and The Police Reform Act 2002, placed a duty upon specific agencies to work in partnership to tackle crime, disorder and the misuse of drugs. The link between empty dwellings and crime is well documented.

Local authorities have a vested interest in reducing the levels of crime and anti-social behaviour and are frequently engaged in partnerships with other agencies such as the Police and Fire Service. In essence, the local authorities have a legal responsibility to fulfil their partnership obligations and part of this obligation will be to tackle the problem of empty dwellings.

Dealing with empty properties is essential in addressing housing market failure and making communities sustainable in the future. In order to build a sustainable community there needs to be a feeling of safety and security. There is a link between empty properties and the prevalence of degradation, drug use, crime, anti-social behaviour and arson / damage. A quarter of malicious dwelling fires, for example, occur in vacant dwellings. *(Home Office 2003)*

#### **4.7 An example of Partnership Working**

Liverpool City Council, Merseyside Police, Merseyside Fire Service, Merseytravel, local primary care trusts and probation service and a range of other partner organisations including Liverpool John Moores University all work together to form 'CitySafe', a collaboration that aims to drive down crime within the greater Liverpool area.

**Table settings out goals for the 2008-9 for the CitySafe Partnership.**

<b>National Indicator Reference</b>	<b>Liverpool CitySafe Priority Deliverables</b>
NI 1	An increase in % of people who believe people from different backgrounds get on well together in their local area
NI 4	An increase in % of people who feel that they belong to their neighbourhood
NI 5	An improved overall/general satisfaction with the local area as a place to live
NI 15	Reduction in the number of most serious violent crime incidents per 1000 population
NI 16	Reduction in the number of serious acquisitive crimes per 1000 population
NI 19	Reduce the rate of proven re-offending by young offenders
NI 20	Reduction in the number of assault with injury crimes per 1000 population
NI 26	Improvement in the proportion of victims of a serious sexual offence aged 16 and above (who report the offence to the police) that receive support from a specialist sexual violence and abuse service
NI 29	Reduce the number of recorded life threatening gun crimes per 1000 population
NI 30	Reduce re-offending rate of prolific and priority offenders
NI 32	Reduce the number of repeat incidents of domestic violence
NI 33	Reduce arson incidents
NI 35	Building resilience to violent extremism
NI 39	Reduce alcohol harm related hospital admission rates
NI 40	Increase the number of drug users in effective treatment
NI 111	Reduce the number of first time entrants to the Youth Justice system aged 10-17 years
NI 115	Reduce substance misuse by young people
NI 195	Improved street and environmental cleanliness - levels of graffiti, litter, detritus and fly posting
NI 196	Improved street and environmental cleanliness – fly tipping
Local Priority	Dealing with concerns about anti social behaviour – reducing number of ASB incidents per 1,000 population
Local Priority	Support Merseyside Police to improve the sanctioned detection rate for crimes flagged as 'hate crimes'

(Liverpool.gov.uk 2008)

**Fig 13**

Councils are now involved as never before in a holistic approach to improving the quality of life of the communities that they represent. In the fight against crime and disorder across the spectrum, councils play a vital role in these local partnerships and an active empty housing strategy will be one of the key requisites making up a local authority's contribution.

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## **Chapter 5**

### **Local Authority Response to Empty Dwellings**

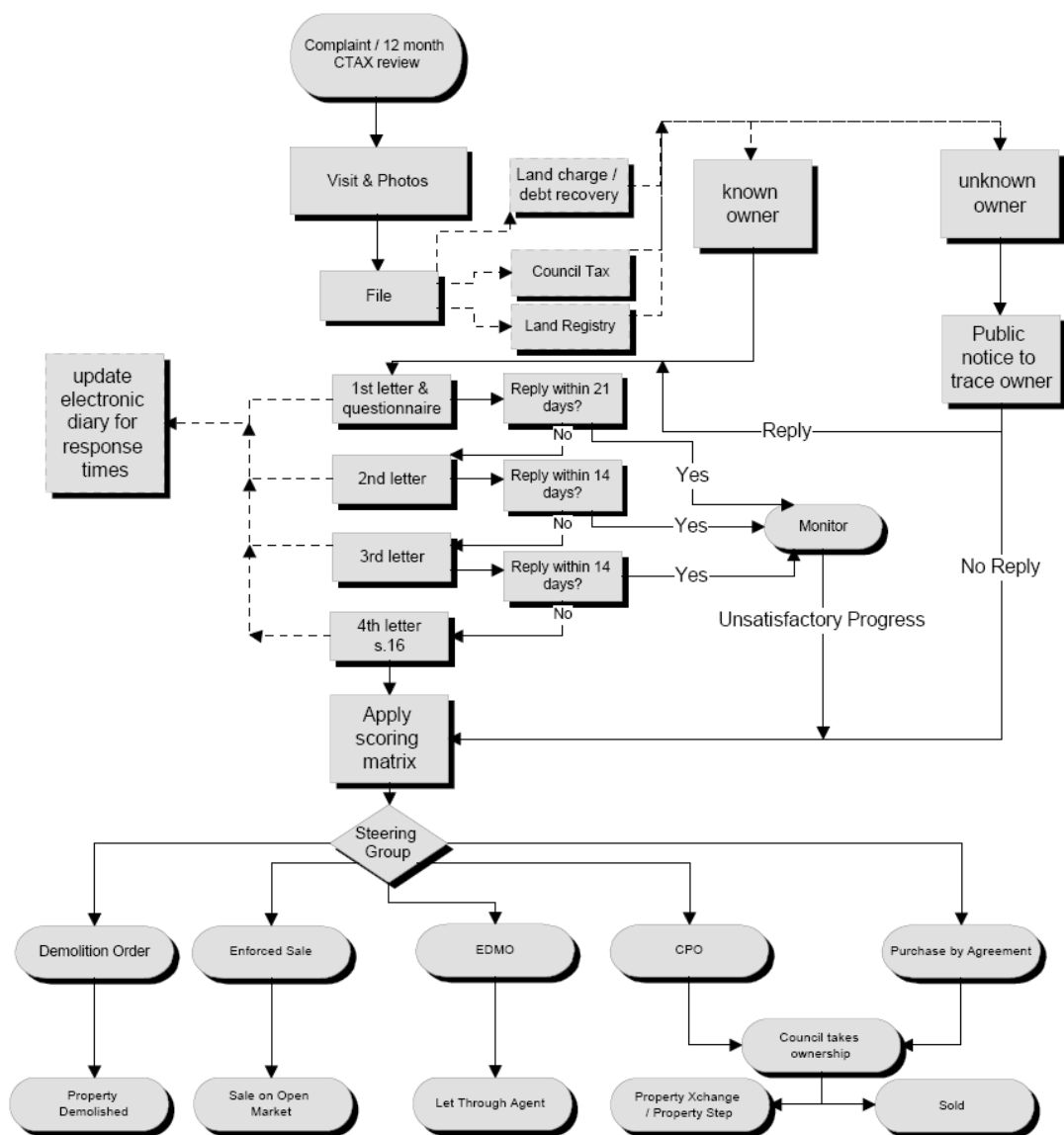
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## 5.0 Local Authority Response to Empty Dwellings

### 5.1 Introduction

When a local authority becomes aware of an empty property and decides that action is needed, there is a suite of approaches that are available. From help and advice for the owner, right through to forcing the sale of a property and compulsory purchase, there will be a method at the authority's disposal that will suit the vast majority of circumstances.

#### Typical Empty Homes Management Procedure



Taken from Oldham Empty Homes Strategy 2007-2009

Fig 14

## **5.2 'Positive Ripple Effect'**

Successful intervention by local authorities has encouraged what has been observed as a 'ripple' effect. *(ODPM 2005)* When problem properties are targeted with enforcement, or when the owners carry out renovation work, the effects are not just witnessed on the target properties. Those properties in the immediate area also show signs of improvement. Word gets out about the actions of the local authority, either by word of mouth or through publicity and other property owners take action without intervention from the council, spurred on either by the fear of council enforcement or a general feeling of well-being and optimism.

## **5.3 Partnership and Education**

It may be, for example, that the owner of the property does not wish to live in the in the dwelling, but is unsure of how to correctly rent the house out. It could be that repair works are needed and the owner's funds may be limited. In fact, there could be any one of numerous reasons for the dwelling being vacant. The whole aim of the initial contact will be to in effect make a 'needs' assessment to find out what steps will be required to get the dwelling lived in.

Studies have been carried out into the reasons behind vacant dwellings and all surveys reveal a number of common themes

- in every are of the country there are a large number of reasons why homes are empty
- a large proportion of empty home owners claim they are in the process of returning their property to use
- about half of empty home owners say they want no help in returning their property to use
- about half say they do want help *(Ireland, D 2006)*

By offering a tailored package of education, practical help and advice, access to grants and onward referral to partner agencies, the council would hope that this would be sufficient to steer the dwelling back into use. Unfortunately, in a significant number of cases, the initial contact from the local authority does not achieve its desired goal, particularly in cases where the owner has made a conscious decision to allow the property to remain unoccupied.

## 5.4 The Need for Enforcement Options

In 2006, Ipsos MORI conducted a survey of empty properties in London. The survey asked the owners of empty properties a series of questions. When asked which service or assistance would encourage the owner to get the property back into use, the respondents gave the following answers.

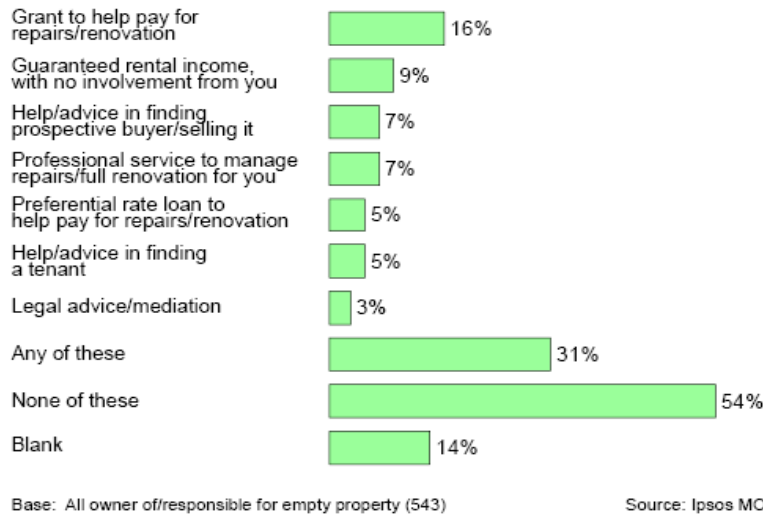


Fig 15

A very significant 68% either declined to answer that question or stated that they would not want assistance or help.

The survey then went on to ask which service provider they would be happy to work with to return their empty properties to use. The results were equally enlightening.

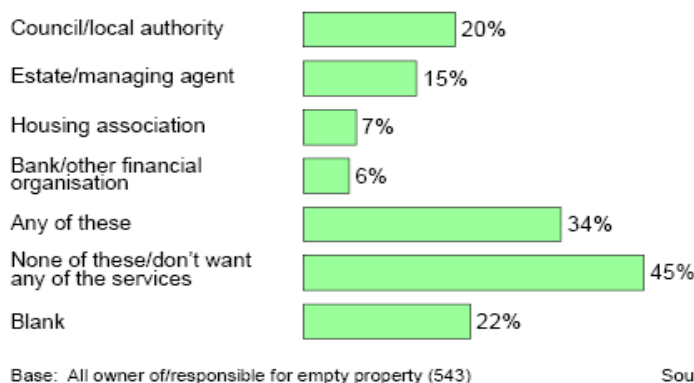


Fig 16

22% of the respondents declined to answer this question and 45% stated that they did not want help from an outside agency.

Although a significant proportion (31%) would accept any help and (34%) would accept help from a variety of external providers, it is also clear that a large proportion of empty home owners will be resistant to voluntary assistance

measures, either leaving their properties intentionally empty or not wanting interference from outside agencies.

## 5.5 Local Authority Enforcement

Following on from partnership and education, there is a range of far reaching legislation that exists, that can be used to exert pressure on the owners of empty dwellings, particularly in the cases where they are falling onto disrepair. Each piece of legislation allows the council, with the odd exception, to undertake works in default if the owner refuses to comply and apply a land charge to the premises in order to recover costs.

The main pieces of legislation are summarised below

### 5.5.1 Town & Country Planning Act 1990

**Section 215** This allows the authority to take action, normally in response to complaints regarding loss of amenity, when a property or land is deemed to be detrimental to its surroundings. (ODPM 2005)

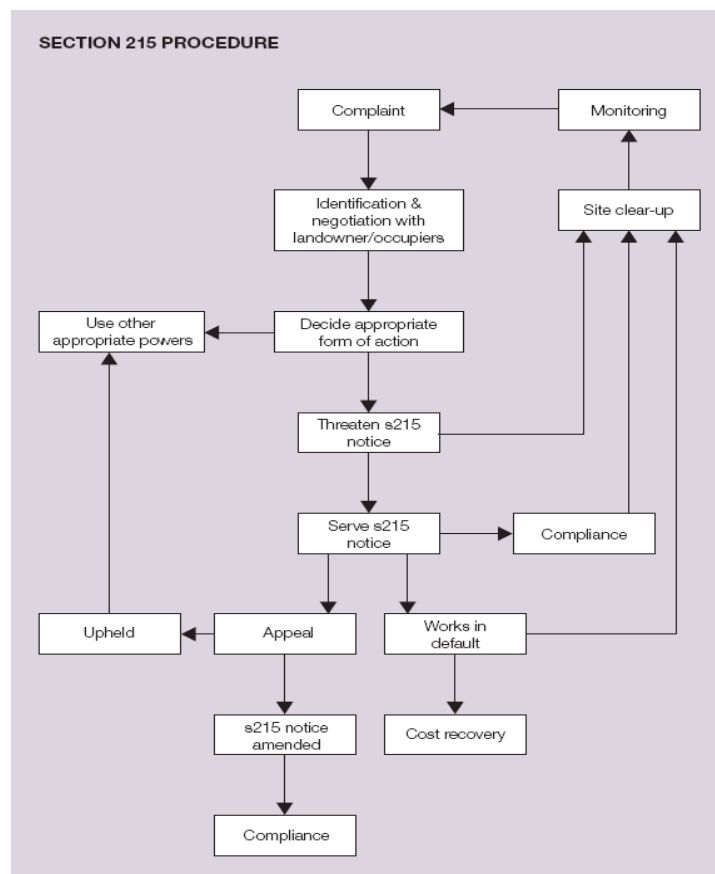


Fig 17

(ODPM 2005)

Section 219 Allows the authority to enter and carry out works as necessary in default of the owner's cooperation.

Section 330 Requires the supply of ownership details and those with any interest in the property. Non compliance can lead to a fine of up to £1,000 and up to £5,000 for giving false details.

### **5.5.2 Housing Act 2004**

The 2004 housing act introduced the Housing Health and Safety Rating System (HHSRS) This is used to tackle properties that are in a poor state of repair and is used to rate the property in terms of its effect on the health and safety of any occupiers. The Act defines 29 categories of hazard that may require remediation. These are arranged into four main hazard category areas: 'Physiological', 'Psychological', 'Infection' and 'Safety'.

Each one of these potential risks to health is assessed and given a weighting and then compared to a matrix which effectively determines the level of action required to be undertaken by the owner of the property.

Having assessed the property and identified and scored the relevant hazard risks, the Act provides for a number of responses.

Sections 28 & 29 Hazard Awareness Notices

Sections 11 & 12 Improvement Notices.

Section 40 Emergency Remedial Notice.

Sections 20 & 21 Prohibition Notice

Section 43 Emergency Prohibition Notice

## Housing Health and Safety Rating System (HHSRS)

<p><b><i>Physiological</i></b></p> <ul style="list-style-type: none"> <li>Cold</li> <li>Damp and Mould</li> <li>Heat</li> <li>Asbestos</li> <li>Biocides</li> <li>Carbon monoxide</li> <li>Lead</li> <li>Radiation</li> <li>Un-combusted fuel</li> <li>Volatile organic compound</li> </ul>	<p><b><i>Safety</i></b></p> <ul style="list-style-type: none"> <li>Falls in baths, etc</li> <li>Falls on level surfaces</li> <li>Falls on stairs, etc</li> <li>Falls between levels</li> <li>Electrical hazards</li> <li>Fire Hazards</li> <li>Hot surfaces, etc</li> <li>Collision/entrapment</li> <li>Position/operability of amenities</li> <li>Explosion</li> <li>Structural collapse</li> </ul>
<p><b><i>Infection</i></b></p> <ul style="list-style-type: none"> <li>Domestic hygiene, etc</li> <li>Food safety</li> <li>Personal hygiene, etc</li> <li>Water supply</li> </ul>	<p><b><i>Psychological</i></b></p> <ul style="list-style-type: none"> <li>Crowding and space</li> <li>Entry by intruders</li> <li>Lighting</li> <li>Noise</li> </ul>

*Data source - ODPM 2006)*

**Table 1**

### 5.5.3 Housing Act 1985

Section 265            Demolition orders allow a local authority to demolish a property that it does not own.

### 5.5.4 Public Health Act 1936 *As amended by the Public Health Act (1961)*

Section 35            Used to 'remedy filthy and / or verminous persons or premises'.

### 5.5.5 Public Health Act 1961

Section 17            Allows local authorities to undertake repairs on private sewers, waste pipes, wc pipes and so on.

\* NB land charge cannot be applied

### **5.5.6 Building Act 1984**

- Section 59 Allows the authority to remedy a variety of drainage issues.
- Section 77 Allows intervention in the event of a building becoming dangerous.
- Section 78 Allows the undertaking of emergency repairs or action to make the structure of a building safe.
- Section 79 Requires the land owner to make improvements if the premises are so run down that it is seriously detrimental to the surrounding area.

### **5.5.7 Environmental Protection Act 1990**

- Section 79 Allows action where it is deemed that the condition of a property is prejudicial to health or constitutes a statutory nuisance

### **5.5.8 Prevention of Damage by Pest Act (1949)**

- Section 4 This imposes on the owner of land and property to keep them free from rats, mice and other pests and vermin such as cockroaches

### **5.5.9 Local Govt and Misc Provisions Act 1982**

- Section 29 Used to secure empty or temporarily unoccupied buildings.

All of the above notices can lead to works in default and with all bar the one noted, a land charge can be applied in the event of non payment.

## **5.6 Enforced sale procedure**

This robust action can be used by local authorities to literally force the sale of land and property thereon.

The actual procedure is remarkably logical and if each step is followed enforced sale procedure is a very effective means of dealing with empty and void property. The procedure uses a system of escalation which can be halted by an

owner becoming cooperative, but can ultimately lead to the council forcing the owner to dispose of the property.

Following the identification of breaches of statute that are suitable for council action, legal notices are served on the owner and / or occupier explaining the council's requirement that action is to be taken. The typical range of enforcement action that is available to the local authorities has been discussed above, however it is the actions that allow the imposition of a land charge that are particularly pertinent in the case of enforced sale procedure.

If the legally required works are not undertaken by the owner within the any applicable time limits, then the local authority can carry out the works in default.

It is at this stage that the procedure starts to show its teeth. If the owner of the property does not reimburse the authority, then the council can register the debt in the form of a land charge under Local Land Charges Act 1975 (section 7). If the principal debt owing to the council is £500 or more, then the council can instigate the enforced sale procedure.

The whole process from registering debts as land charges to enforced sale can take as little as six months from start to finish, making this option a swift method of clawing back expenses and pushing a problem property towards redevelopment and ultimately re-use.

Although a relatively straight forward, tried and tested procedure, it must be remembered that this procedure can stop at any stage up to sale if the owner redeems the outstanding monies.

Only 1 in 12 properties upon which enforced sale procedures were instigated were eventually forcibly sold by Manchester City Council up to 2006, however, in this time the authority was able to reclaim £1,217,000 (*Stott, D et al 2006*) of monies owing to it. The fact that only 1 in 12 made it through to sale does not mean that the legislation is a failure. The money owing must after all be repaid to stop the enforced sale. There is no guarantee, however, that repayment of money for works undertaken in relation to enforcement action by the council will lead to the

re-use of the building. Further action may be needed by the local authority under different legislation to secure the dwellings' reoccupation.

As a matter of common sense, enforcing the sale of a dwelling will only be an effective tool for recovering funds if the sale price is likely to exceed the debt. If a property is to be sold in an open auction, then properties in areas suffering from serious blight might well fail to sell or attract very low bids. Enforced sale procedures can therefore be seen as an option to be taken with caution for properties lying within run down areas where developers are unlikely to want to invest their money.

## **5.7 Compulsory Purchase Order**

Under powers given by central government to local authorities and other statutory bodies such as national parks and development agencies, it is possible for them to apply for compulsory purchase orders (CPO) on land (and property) provided that certain criteria are met.

“Compulsory purchase powers are provided to enable ‘acquiring authorities’ to compulsorily purchase land to carry out a function which parliament has decided is in the public interest”*(ODPM – 2004)*

CPOs are used as one of the enforcement tools of a number of pieces of primary legislation such as Housing Act 1985 and Town and Country planning Act (1990).

There is a lengthy procedure to be followed by the local authority in order to successfully obtain the rights to a particular problem property. Due to the complexity of the system, CPO is most commonly used to enable regeneration schemes to be carried out by the compulsory purchasing of a number of properties. It is though, possible to apply for a CPO on an individual property. A suitable circumstance might be a property, so derelict that it causing serious blight to its surrounding area and that could not be realistically returned to use or sold.

There are several time consuming stages that the authority needs to follow and as such this procedure tends to be used when all negotiations with the property

owner have broken down and other options have been considered and discounted for some reason.

CPOs are very much a last resort. Local authorities make efforts to reach a negotiated solution for problem properties at an early stage of the process. In order to enter into the CPO process and ultimately pay the necessary compensation, the authority must have not only the budget in place, but also the infra-structure and knowledge to follow the matter through to its conclusion.

CPO procedures allow the authority to recoup any outstanding funds for works in default. Any such funds will be held back from the compensation awarded to the debtor. The council effectively gets ownership of the property at a reduced price in lieu of the debt.

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## **Chapter 6**

### **Empty Dwelling Management Order**

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## **6.0 Empty Dwelling Management Order**

### **6.1 Introduction**

Empty Dwelling Management Orders (or EDMOs) were introduced by the Housing Act 2004 and provide the power for local authorities to take over the management of long-term empty dwellings without taking ownership.

The background to the introduction EDMO was a perceived need for a mechanism to return empty dwellings to use that would complement the existing strategies of housing management. Local authorities already had, at their disposal, far reaching powers and options available, and were being encouraged by central government to address the problems associated with empty dwellings.

In 2002, there were 732,000 empty dwellings in England, with 8 out of 10 of these lying in private ownership. *(ODPM 2003)* The existing solutions and management tools available for local authorities at the time allowed for two levels of approach.

### **6.2 Voluntary Initiatives**

A low level approach was available through the offering of help and advice and making the owners aware of grant availability. Although relatively low in terms of cost, the offering of grants, help and advice would only ever succeed with cooperative property owners.

Additionally, there was no guarantee, after grant-assisted improvement works had taken place that the dwelling would be returned to use by the owner

### **6.3 Enforcement Action**

A more forceful approach was available in the form of compulsory purchase orders, enforced sale procedures and a range of enforcement action relating to the condition of the building and so on.

In the case of CPO, the local authorities had the ability to instigate a procedure that allowed them to force the owner of the property to sell it to the authority.

This procedure could lead to lengthy and expensive legal battles and the procedure itself was a multi-stage action with the option for appeal and refusal at all stages.

In terms of enforcement action there was no mechanism to guarantee the return to use of the properties upon which the action had been taken. Property owners would frequently only carry out the minimum work required to satisfy the demands of the enforcement action in order to prevent the local authority carrying out works in default of the owner. Often these owners would have no intention of ever returning the property to use and in this situation, the local authorities were powerless to act.

Works in default of the owner following an enforcement notice would allow the local authority to apply land charges to properties upon which they had carried out works. They would then be able to force the owner to sell the dwelling to recoup their costs.

Obviously, this procedure could only work where the owners of the properties had not acted upon receipt of an enforcement notice and the council had stepped in and carried out the works needed. The enforced sale procedures were designed as a method of the local authority reclaiming monies owed. At any stage up to the enforced sale, the monies could be repaid by the property owners and the action would be halted, therefore removing the council's ability to return the property to use. Even if a property was successfully taken through to enforced sale, there was no guarantee that the new owner would allow the premises to become occupied.

#### **6.4 The Birth of EDMO**

There was no method of coercing the owner of an empty property to put their dwelling back into use, either through enforcement or voluntary initiatives.

'Voluntary initiatives are not entirely effective without a credible threat of compulsion to back them up and existing enforcement procedures were not designed with the objective of bringing empty properties back into use quickly without disturbing ownership' (ODPM 2005)

It was recognised that an intervention falling between low level action and the more intrusive and complex enforcement action was needed.

In 2001 The Department of Transport, Local Government and Regions Select Committee on Empty Homes met to discuss the options available to local authorities. One of the delegates, David Ireland, now Chief Executive of The Empty Homes Agency, proposed a Compulsory Leasing Scheme to tackle privately owned empty dwellings. The principle was accepted by the Select Committee and put forward as a proposal to central government.

In the consultation that followed, a number of questions were put to the relevant departments within local government and also to registered social landlords.

There was a consensus that all forms of enforcement action should be a last resort. 45% of those who replied to the survey suggested that powers available at the time did not in all cases provide an effective means of securing the reuse of empty homes. 78% of the survey respondents at the time believed that there was a requirement for local authorities to be able to apply management orders to privately owned empty dwellings. *(ODPM 2003 – Summary of Responses)*

It was clear that there was a need for a robust management option that did not have the onerous financial and time demands of the CPO or enforced sale.

The Empty Homes Agency started a campaign and involved many influential partners such as The Royal Institution of Chartered Surveyors, the homeless charity, Shelter and the British Property Federation. The Agency's proposals were broadly supported by many local authorities.

Although central government was, at the time, of the belief that primary legislation was not required, there was a good deal of support for the compulsory leasing scheme.

The Empty Homes Agency continued to lobby until, in the summer of 2003, the Office of the Deputy Prime Minister released a consultation paper called "Empty

Homes Management” in which it changed the name of the compulsory leasing scheme to the Empty Homes Management Order. *(Ireland, D 2009)*

The consultation paper coincided with the drafting of the Housing Act 2004.

A late amendment to the bill was tabled by David Kidney MP to include Empty Homes Management Orders in the new Housing Act. The amendment contained a variation to the original compulsory leasing scheme proposal in that it should apply to all long term empty dwellings, not just those that were run down as per the original proposal by David Ireland. The amendment gained sufficient support and was included in the new Act.

The then housing minister, Keith Hill, suggested that the idea of a compulsory leasing order be adopted under the changed title of Empty Dwelling Management Order.

The 2004 Housing Act was passed by parliament and gained royal assent in 2005. Secondary legislation then enabled the Act to finally come into effect in July 2006.

## **6.5 EDMO Legislation**

The Housing Act 2004 contains provisions relating to unoccupied privately owned empty homes in the form of the Empty Dwelling Management Order (EDMO). EDMOs allow for the local authority to secure possession and management rights of persistently empty, privately owned dwellings under certain prescribed conditions.

The purpose of an EDMO is for a local authority to take over the control of a dwelling in order to secure the occupation of it. The authority would ‘step into the owners shoes’. *(DCLG 2004)* For the purposes of the legislation ‘the owner’ is referred to as the ‘relevant proprietor’ and can include freeholders and leaseholders.

Research shows that the largest single reason for a dwelling to lie vacant is disrepair. *(HMSO 1996)* Under EDMO provisions, the local authority would be able to carry out repairs to the property as required and manage its return to use.

This legislation is intended to work along side other existing legislation for securing the re-occupation of empty homes, and is intended to be regarded as a last resort measure.

There are two types of EDMO, an interim and a final order.

## **6.6 Interim EDMO**

The interim EDMO is the first step that a local authority must take to secure management rights of an unoccupied private dwelling. The interim order can last up to 12 months and during that time the local authority must explore every option, in partnership with the owner, to return the property to continued use.

This will include the provision of grants, help and advice within a formalised framework. The key power provided by the legislation is that under the terms of the interim EDMO, the local authority has the right of possession, subject to the rights of any existing tenancies.

Having taken possession, the authority has a duty to secure occupation, but only with the consent of the owner. Any lack of cooperation from the owner would be documented and would form part of the evidence needed to progress the matter to a final EDMO. If cooperation is not forthcoming, then the interim period is most likely to be used for costing and planning to allow the matter to progress towards a final EDMO. During the interim, there is a duty upon the local authority to insure the property and it is responsible of the storage of the proprietor's furniture. In the event of the local authority successfully renting the dwelling out during the interim EDMO period, then the balance of any rents obtained will be paid to the relevant proprietor after the deduction of any justified expenses.

If the empty dwelling has not progressed towards use by the end of the 12 month statutory period, then one of the options available to the local authority is

to convert the interim EDMO to a final EDMO. If it is clear that cooperation will not be forthcoming from the relevant proprietor, then the council need not wait for the full 12 months to progress to a final EDMO.

In deciding whether or not to implement a final EDMO, the authority will consider the works required to the dwelling and its rental potential. The authority may consider that perhaps an alternative tactic might be more appropriate, such as CPO or enforced sale procedure.

It is vital at this stage that a full and accurate costing of the works needed and the likely rental value of the finished dwelling is carried out. This will allow for an accurate prediction of the recovery of any costs.

If upon the termination of an interim EDMO, the rental income over the period has exceeded the authority's outlay, then the balance must be paid to the relevant proprietor. If however, as would be expected, the authority has not recovered sufficient funds from the rental income, then the balance would be carried over to the final EDMO if applicable or applied as a local land charge that would remain in force until the funds were recovered.

### **6.7 Obtaining an Interim EDMO**

In order to make an interim EDMO the local authority must apply to the Residential Property Tribunal (RPT). In order to satisfy the RPT that EDMO is the most appropriate manner of dealing with an empty dwelling, the local authority must have built a case for the EDMO and show that the dwelling in question satisfies all of the following criteria.

- There must be no one in occupation in the property, (this includes lawful and unlawful occupation ie squatters).

- The local authority must have taken reasonable steps to notify the relevant proprietor that they were considering such an order and also find out if they have any plans to secure occupation of the dwelling. The RPT must believe that there is no real prospect that the property will become occupied in the near future.
- The RPT must also believe that there is a reasonable prospect that the dwelling will become occupied if an interim EDMO is granted.

*(DCLG 2004)*

The local authority must also have adhered to all rules and regulations, including observing the relevant timings of notification to all interested parties when seeking to make an application for an interim EDMO.

The RPT must also satisfy itself that the property does not come under any of a list of prescribed exceptions. Contained within the legislation is a proviso that a dwelling cannot be subject of an EDMO if it satisfies any of the conditions laid out in Statutory Instrument 2006 No 367.

- a) it has been previously occupied solely or principally by the relevant proprietor and is currently unoccupied because the proprietor is temporarily resident elsewhere
  - absent from the dwelling for the purpose of receiving personal care by reason of old age, disablement, illness, past or present drug or alcohol dependence or present mental disorder.
  - absent from the dwelling for the purposes of providing, or better providing personal care for a person who requires such care by reason of old age, disablement, illness, past or present drug or alcohol dependence or present mental disorder or
  - a serving member of the armed forces and he is absent from the dwelling as a result of this service.

- b) it is used as a holiday home, or otherwise occupied by the relevant proprietor or his guests on a temporary basis from time to time.
- c) it is genuinely marketed for sale or to let.
- d) it is comprised in an agricultural holding with the meaning of the Agricultural Holdings Act 1986 or a farm business tenancy within the meaning of the Agricultural Holdings Act 1995.
- e) it is usually occupied by an employee of the relevant proprietor in connection with the performance of his duties under the terms of a contract of employment.
- f) it is available for occupation by a minister of religion as a residence from which to perform the duties of his office.
- g) it is subject to a court order freezing the property of the relevant proprietor.
- h) it is prevented from being occupied as a result of a criminal investigation or criminal proceedings.
- i) it is mortgaged, where the mortgagee, in right of the mortgage, has entered into and is in possession of the dwelling.
- j) the relevant proprietor of the property has died and six months has not elapsed since the grant of representation was obtained in respect of such person.

*(DCLG 2004)*

If all of these criteria and exceptions are considered, then the RPT can decide whether or not to grant an interim EDMO, subject to the representations of the relevant proprietors.

## **6.8 Final EDMO**

If the dwelling satisfies the authority's criteria for a final EDMO, then the interim EDMO can be converted to a final EDMO. This is a decision that is taken at local authority level and does not require RPT involvement.

The final EDMO gives the authority the ability to carry out works and then place a tenant in the property without the consent of the owner. The final EDMO can be in force for up to seven years, during which time, the authority can charge rent. The rent charged is used to recoup any costs of management and refurbishment. It should be noted, however, that if the market rent for the property is higher than the actual rent obtained from a social tenancy, then it is the market rent and not the actual rent that is credited against the outstanding balance of the monies charged against the dwelling by the local authority.

When an EDMO is in place, the relevant proprietor of the dwelling will not receive any of the rental income. The balance of monies owed is in effect totted up at the termination of the management order whether that is an interim or final EDMO.

If at the end of seven years there is no change of circumstances for the dwelling, then a subsequent seven year period can be applied for in order to secure the continued use of the dwelling.

Any expenditure by the local authority under either the interim or final EDMO can be applied as a land charge upon the revoking of the order. In theory, therefore, the authority will get its money back eventually. *(DCLG 2006)*

## **6.9 Management Scheme**

The legislation requires that there must be a detailed and recognised management framework in place to manage the dwelling during the period in which the final EDMO is in force.

This will outline what works are required, an estimate of relevant costs and projected income, including the rent that the property might achieve on the open market and the rent that would be likely to be obtained from a social tenant.

The management scheme must set out how the rental of the property will be managed and how the monies collected and spent will be accounted for.

The management scheme can be provided by the authority itself or through a partner organisation such as a housing association or other registered social landlord.

The management scheme will also outline any compensation payable to relevant third parties as appropriate.

### **6.10 Repairs and Renovation Works**

There are no restrictions on the works that a local authority can carry out during an EDMO. Consideration must be given, however, to the likelihood of the funds being recoverable during the period of the EDMO. It is therefore unlikely that significant expenditure would be appropriate during an interim EDMO, where the maximum period for recovery of monies would be 12 months. It is far more likely that major works would be held over until a final EDMO was in force to allow for an appropriate period for the recovery of costs.

### **6.11 Variation and Revocation of an EDMO**

A relevant proprietor or interested party has the right to request that an EDMO be revoked or for conditions contained therein to be varied. The local authority can vary the conditions of an EDMO if it feels that that this would be appropriate. There is a preserved right of appeal for any interested party to the RPT regarding a refusal to vary conditions to an EDMO, or to appeal the content of any variation of conditions applied by the local authority to an existing EDMO.

There is an obligation upon the local authority to review the EDMO periodically and the local authority must revoke the order if any of the following conditions are satisfied:

- the authority concludes that there are no steps that it can take to secure occupation
- it is satisfied that the dwelling will become or continue to be occupied following revocation of the order
- it is satisfied that the dwelling is to be sold
- a final EDMO (or subsequent final EDMO) has been made to replace the order
- it concludes that it should revoke the order to prevent it from interfering with the rights of a third party
- in any other circumstances that it considers it appropriate to do so

*(DCLG 2004)*

It should be noted that if the dwelling is occupied and the local authority wishes to revoke the EDMO, then it can only do so with the consent of the owner. If the authority decides that it will hand control back to the owner regardless, then, rather perversely, it must ensure that the property is vacant prior to revoking the order, unless the relevant proprietor is willing to continue with that particular occupier in the premises.

The local authority can make revocation subject to the repayment of monies yet to be recovered from rent in lieu of works carried out.

## **6.12 Appeals**

The RPT will deal with approaches from interested parties and relevant proprietors that wish to appeal against various aspects of the EDMO process.

The permitted appeals are, in summary

- to challenge a final EDMO or the conditions attached to a final EDMO (including the management scheme)
- the terms of an interim EDMO relating to finance
- a decision of a local authority to vary or revoke (or its refusal to vary) either a final or interim EDMO
- a third party can appeal against a decision relating to compensation payable

*(DCLG 2006)*

### **6.13 Effects on ownership rights**

An EDMO does not interfere with the ownership of a dwelling. What are effected are the rights to occupation and possession of the property of the relevant proprietors. In the situation where the property was held on a lease, then the leaseholder would be the relevant proprietor if it could be shown that the period of their lease remaining exceeded 7 years.

The local authority will take over some of the rights and responsibilities of the relevant proprietor. The authority has the right of possession of the property but does not have the right to sell it or take out a mortgage on it as they are not the legal owner. The relevant proprietor does have the right to dispose of their interest in the property, and can therefore sell the property or lease if they so wish. The EDMO can remain in force during the sale, however, the local authority may chose to revoke the EDMO upon the property genuinely being offered for sale.

The relevant proprietor is not entitled to receive any rent from tenants of the property, and does not have any management rights whilst the EDMO is in force. Any excess rent due to the relevant proprietor will be repaid upon the revocation of the order.

Where any mortgage exists on the property, the mortgage lender's rights and remedies are unaffected except in such situations where they would prevent the local authority from granting a tenancy or some other right to occupy the dwelling.

The EDMO is classed as a local land charge and it will be recorded onto the deeds by the land registry. This land charge will remain until all sums of money owed to the authority by the relevant proprietor are repaid.

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**Chapter 7**  
**Use of the EDMO to Date**

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## **7.0 EDMO use to date**

### **7.1 Great Expectations**

When the EDMO was introduced by the Housing Act 2004, it was believed that the legislation would provide a valuable additional tool for local authorities to tackle empty dwellings.

Plugging the gap between voluntary measures and enforcement action, it was hoped that the use of EDMO would facilitate the return to use of thousands of vacant, privately owned dwellings across England. Indeed, an article in *Inside Housing* commented as follows;

‘Hindsight can be bittersweet. Our storey five years ago on the introduction of empty dwelling management orders for councils claimed that they could bring 200,000 English homes back into use (28<sup>th</sup> May 2004).’  
(*Brandon, S 2009*)

### **7.2 Public Perception and Misconceptions**

In the lead up to the introduction of the Housing Act 2004 and the EDMO powers, there was a large amount of press coverage. Some of the reporting was well informed and balanced, however a large proportion was inaccurate, misleading and alarmist.

The principles behind the EDMO were seen by some commentators as deeply political. The Telegraph reported the political debate in February 2003 as follows;

“This announcement smacks of an old socialist state. There are plenty of other ways to encourage the letting of empty properties than heavy-handed centralism. It would be an utter disgrace if (John) Prescott forces home owners to lease out their property to local councils to cover up his failure to build enough social housing” (*Glover, C 2003*)

The Times published an article with the sensationalist title ‘Councils may grab empty homes’. The article claimed that councils would be given the power to take over 300,000 private empty homes and rent them out to homeless families.

(*McLoud, K 2003*)

The Sunday Times quoted Robert Whelan of the 'think tank' Civitas, in another article written by Kevin McLoud, the interior designer and popular television presenter;

'EDMO cuts right across the ancient common law principle of private property'

The article went on;

'New rules have just come into force allowing councils to take over and rent out homes that have been left empty for more than six months. It is a piece of legislation that is deeply flawed' *(McLoud, K 2003)*

The coverage was widespread and much of the opposition to the proposals was likely to have been built upon misinformation and self-interest; both from politicians and the very powerful building industry lobby that had a vested interest in keeping a programme of social house building on track. The media largely seemed to get behind the Daily Express's call for a "Crusade against Blair's home snatch plans". *(Ireland, D 2009)* Some of the reporting was factually inaccurate, for example on 26<sup>th</sup> January 2007; Channel 4 News broadcast an editorial piece entitled "Is empty house legislation working?" The broadcast reported that since the introduction of EDMO powers, councils now had the right to seize control of empty properties and could buy up properties that were being left empty. *(Ruben, E 2007)*

### **7.3 The Reality of EDMO**

It was against this backdrop of political sparring and misinformation by the press that the EDMO powers came into force. The reality is, that since the introduction of EDMOs, the predicted mass property grab by the councils has not materialised.

Most campaigners and empty property practitioners bemoan the fact that in the first three years since the EDMO came into force, only 17 EDMOs have been granted.

Although a slightly inaccurate assessment of the numbers to date, only 29 interim EDMO applications have been made to the Residential Property

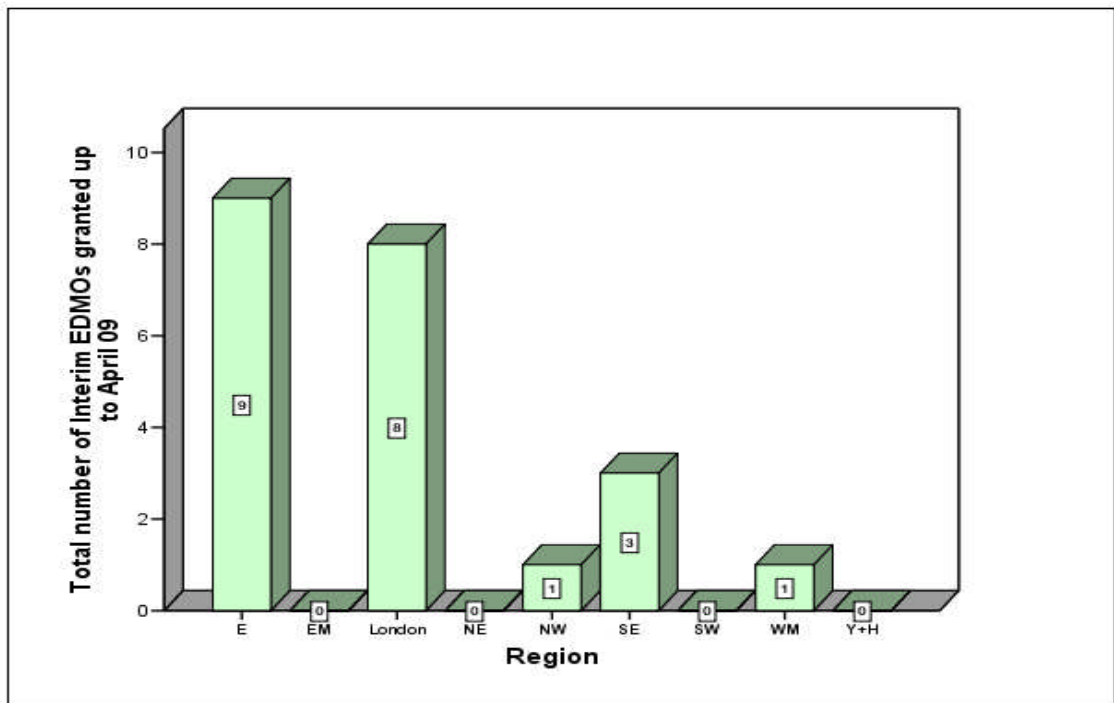
Tribunal. Of these 22 have been granted and a further 7 have been refused. This is a very small proportion of what was initially anticipated.

In the time since the Housing Act came into force, the expected torrent of applications failed to materialise. In a recent correspondence, Gareth Spicer, Deputy Regional Manager of the London Rent Assessment Panel (part of the RPT) commented

‘As the judicial body responsible for considering applications, we are restricted in what we can formally comment about in relation to the implementation, or otherwise, of the provisions within the Act by local authorities. However, I can confirm that the Department for Communities and Local Government were expecting more applications for approval of Interim EDMOs than we actually received.’ (Spicer, G 2009)

Although the actual numbers of interim EDMOs are very small, the use of the legislation appears to be variable. In certain areas of the country, local authorities appear to have been more willing to use the powers than in others.

**Total Interim EDMOs Granted by Region April '09**



**Fig 18**

There is no published statistical data regarding final EDMOs due to the decision to convert interim EDMO to final EDMO wresting with the local authority with no central monitoring or control.

## **7.4 EDMO Landmarks**

### **Kennet Close, Berinsfield**

The first interim EDMO was granted to South Oxfordshire District Council on 24<sup>th</sup> January 2007. The address, 59 Kennet Close, Berinsfield had been empty for over 5 years and the authority successfully asserted that the use of an EDMO was a viable option. The owner of the property was, at the time of the EDMO being granted, refusing all correspondence and the decision was made by the RPT in her absence. This property is now subject to a final EDMO, work has been carried out and it is currently under management with a tenant in place. *(Residential Property Tribunal 2006) – See Appendix 1*

### **Brewster Avenue, Peterborough**

The first interim EDMO to be converted to a final EDMO was by Peterborough City Council on 7 Brewster Avenue, Peterborough on 16<sup>th</sup> January 2008. The property owner had been offered grant assistance, help and advice; however no meaningful action was taken by him.

The council successfully applied for an interim EDMO; however the owner still refused to cooperate. Planned works were carried out and the authority moved to a final EDMO five months after the interim EDMO had been granted. The planned works had been carried out, however the property was still regarded as sub-standard. Further redecoration was carried out and the property was advertised to let.

At this stage, the council received notice that the property was to be sold imminently. The council successfully served a demand for the monies owing and placed a charge on the property the same day. Upon completion, the council received the monies owing from the original owner. The council left the final EDMO in place even though the house was sold. The new owner left the house empty for some months and as the result, the council moved to enforce the final EDMO on the new owner. This had the desired effect and returned the dwelling to use. The final EDMO was eventually revoked in December 2008, the whole process having been a success. *(Empty Homes Agency 2009)*

### **Dixon Road, Carlisle**

The first and only appeal to a final EDMO was in Carlisle. The address, 3 Dixon Road, Carlisle had been empty for at least 14 years and had become very dilapidated, causing numerous problems for local residents.

An interim EDMO was granted due to the RPT agreeing that there was little prospect of the property returning to use in the near future, despite the owner apparently making efforts to raise capital to renovate the premises. The owner had repeatedly ignored an improvement notice on the house. With the interim EDMO in place, the council was still unable to open meaningful dialogue with the owner of the premises. The owner repeatedly claimed to be about to commence work and constantly missed those deadlines. A final EDMO was duly commenced by the council. An appeal was lodged by the owner.

In the appeal, the owner claimed to have raised sufficient capital and that he had in fact only recently become the sole owner of the property. It was clear that the council's move to a final EDMO galvanised the owner into action and when the tribunal inspected the premises, they were satisfied that substantial works had been undertaken.

The tribunal gave due consideration to fact that the owner had only ever complied when compelled to do so, however on balance, the tribunal held that the final EDMO should be lifted to allow the owner to complete the renovation works. There was an improvement notice in place on the premises (that the owner had been ignoring) and the tribunal noted that the authority should consider enforcing this notice if the works on the premises stalled unreasonably.

*(Northern Rent Assessment Panel Residential Property Tribunal 2008) see Appendix 2*

Even though this appeal against the final EDMO was successful; it did not represent a complete failure of the process. The authority, through its use of EDMO, had effectively forced the hand of the owner who had been ignoring all other council action.

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**Chapter 8**  
**Case Studies**

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## **8.0 Case Studies**

### **8.1 Introduction**

Three local authority areas were selected for the purpose of illustrating the varying attitudes towards EDMOs within councils around England. Each of the authorities chosen has an active empty homes strategy. Each of the local authorities was visited and the empty homes officer in each area was invited to provide background information on the authority's use of, and attitude towards EDMO.

### **8.2 Case Study - Metropolitan Borough of Wirral**

Empty Homes Officer – Mr Chris Reavy

Defra classification – Large Urban (*Defra 2005*)

Empty Dwellings – 3,979 (*HSSA Statistical Appendix 2008*)

Homeless households (homeless or in temporary accommodation) – 257 (*Shelter*)

BVPI 64 = 177 (*Audit Commission 2008*)

Housing on the Wirral is a diverse mixture ranging from multi-million pound homes right through to housing in areas that suffer from considerable deprivation and blight.

The council make use of voluntary agreements and enforcement action to deal with empty dwellings. The council utilised enforced after works in default if necessary.

In terms of EDMO, Wirral Council do not use this legislation and cannot envisage a situation when EDMO would be a viable proposition. The Council believes that the main reasons for the non-use of EDMO are a lack of funding, staff time and resources. It is not able to demonstrate that it is tried and tested and there is a risk of a good property being returned to a bad owner at the end of the EDMO.

The Council does, however, threaten the use of EDMO and finds that the threat alone has been successful. Wirral Council estimates that it has successfully returned over 300 empty homes to use following its intervention.

### Example property - Brassey Street – Birkenhead



Fig 19

This was a long term empty property in a very poor state of repair.

A Section 79 Building Act notice was served on the owner due to his reluctance to carry out works on the property. The owner was also threatened with an EDMO. The owner responded to the notice and is now renovating the property. It will be converted into 3 flats and should be available to tenants in the near future.

### 8.3 Case Study - London Borough of Lewisham

Empty Homes Officer – Mr Nick Long

Defra classification – Major Urban (*Defra 2005*)

Empty Dwellings – 3,549 (*HSSA Statistical Appendix 2008*)

Homeless households (homeless or in temporary accommodation) – 910 (*Shelter*)

BVPI 64 = 300 (*Audit Commission 2008*)

LB Lewisham is located in South East London. The empty homes officer, Nick Long is a believer in EDMO and has successfully applied for 5 interim orders. He successfully and frequently uses EDMO as a threat. A management scheme is now in place that covers several London boroughs. LB Lewisham is looking to do more EDMOs now that there is a more viable management scheme in place.

As yet, LB Lewisham has not converted an interim EDMO to final. It is hoped that this management will make final EDMO a more realistic option.

### Example property - Vancouver Road, Forest Hill



Fig 20

This property, a 3 bed end terrace, had been empty for many years and had an outstanding council tax debt of £10,000. The property was in a very poor state of repair and required full renovation. It was owned by a father and son they sold the house during the interim period and it is now refurbished and occupied. If still empty but Lewisham council are exploring voluntary options with the owner in the form of a leasing agreement with a local housing association.

#### **8.4 Case Study – Manchester City Council**

Empty Homes Officer – Mr Paul Hewitt

Defra classification – Major Urban (*Defra 2005*)

Empty Dwellings – 13,251 (*HSSA Statistical Appendix 2008*)

Homeless households (homeless or in temporary accommodation) – 1482(*Shelter*)

BVPI 64 = 629 (*Audit Commission 2008*)

Manchester has a team of 6 officers in their empty homes department and works closely with other offices including the works in default team. Manchester is very proactive in dealing with empty dwellings and has had a dedicated department for 7 years.

The city has a two tier approach. In the areas there are housing officers that deal with the more mundane issues of housing. When they come across persistently empty, problem dwellings, they refer them to the Manchester City Council team, who take over the cases or offer advice.

The housing team develop a holistic action plan for each of the premises that is referred to them. Keen to innovate, Manchester’s empty property department’s manager Mr David Stott said that his authority would be the first to do an EDMO, although they have not acquired an EDMO as yet. The council threaten EDMO frequently and report that the threat alone is often enough to stimulate owners into action.

Manchester City Council made it clear that they will use an EDMO when the opportunity arises.

### Example Property – Wood Road, Whalley Range



Fig 21

This house contained four self-contained flats and had been left empty for over fifteen years. It attracted anti social behaviour and caused many problems for the neighbours. Several enforcement notices had been served over the years but the owner always complied with them but always refused to bring the property back into use. The local area team referred this property to the empty property department threatened the owner with an EDMO. The owners then agreed to refurbish the house. The property is now refurbished and all four flats are occupied.

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**Chapter 9**  
**Research and Data Collection**

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## 9.0 Research and Data Collection

The following shows how the survey was designed.

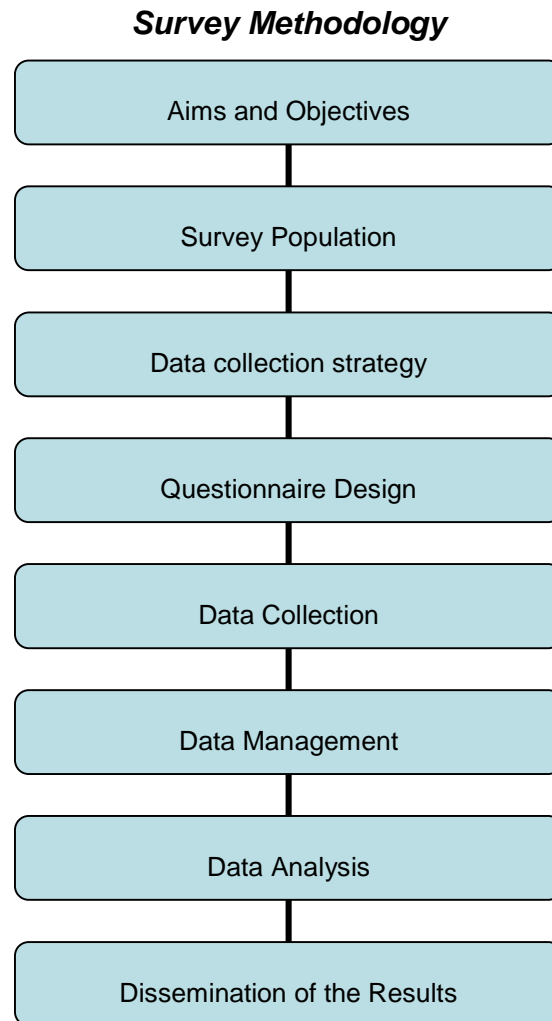


Fig 22

### 9.1 Aim and Objectives

The aim of the survey was to obtain fresh research information into the use of, and attitudes towards, Empty Dwelling Management Orders. The information has not previously been surveyed and is of interest to empty property practitioners and the profession at large.

The survey will obtain details of empty dwelling management strategies from local authorities and will include details of not only the practical use of EDMO in conjunction with other management tools, but also establish whether the impact of EDMO is greater than that reflected by the known headline figures for the legislation's use.

## **9.2 Survey Population**

In order to obtain an understanding of empty dwelling management strategies across England, it was decided that the survey should be directed to the personnel in each council with responsibility for empty dwelling management.

Consideration was given to limiting the survey to a particular region of the country. This was dismissed due to the likelihood that any results obtained would not accurately reflect the national pattern due regional variation in housing demand and property values.

The construction of a stratified sample was also considered. This was discounted as it was likely to be extremely time consuming and was also likely to lead to inaccuracies due to the potential for the selection of an unrepresentative sample.

It was therefore decided to conduct a saturation sample of all 354 local authorities in England. This eliminates the potential failures of both the stratified and regional surveys.

## **9.3 Data Collection Strategy**

Once a decision had been made to conduct a saturation survey, a range of survey methods was considered.

An analysis was carried out of the most suitable and commonly used types of information gathering; postal, internet and telephone surveys. For reasons of practicality and logistics, personal interviews with survey subjects were discounted with the exception of those subjects selected for the preparation of case studies.

Each method of survey was considered in terms of a range of factors including cost, the potential for bias, ease of use and the likely response rates.

<b>Criteria</b>	<b>Postal</b>	<b>Internet</b>	<b>Telephone</b>
Cost	Low	Very low	Moderate
Speed of data collection	Slow	Fast	Immediate
Geographical spread	High	Very high	Medium
Length of Questionnaire	Long (4-12 pages)	Long (4-12 pages)	Medium (10-30 mins)
Questionnaire complexity	Simple	Simple	Simple
Question complexity	Simple to Moderate	Simple to Moderate	Simple only
Hard-to-recall data obtainable	Good	Good	Moderate
Respondent anonymity	Possible	Possible	Not possible
Rapport with respondents	None	None	Moderate
Interviewer bias	None	None	Medium
Need for interviewer supervision	No	No	Yes
Response rate	Low	Moderate	Moderate

Frazer, L & Lawley, M (2000)

**Table 2**

It was decided to opt for an internet based survey for a number of key reasons.

- Cost was a major consideration and an internet survey involves no significant outlay. Both telephone and postal surveys carry a cost implication.
- Speed of data collection was very important. Delays caused by the postal system and internal mail systems in the councils would be eliminated. Individually telephoning councils would have been very time consuming.
- There was no appreciable difference between the survey methods in terms of their ability to reach every council in England.
- An electronic questionnaire can be lengthy. The information required suited the open-ended capability of an internet survey.
- The nature of an internet survey allows the subject to make efforts to find information prior to its completion. It would be likely that a recall may have been required on a telephone survey to allow a subject time to locate the required details.
- An internet survey can offer anonymity if required

- An internet survey does not encourage bias.
- Personal rapport is not important in this survey
- An internet survey was likely to return a moderate response rate.

A weakness that was identified with the internet survey method was that specific email addresses are required in order that the survey gets to its intended recipient. Additionally, many people delete unsolicited emails. The option of telephoning or writing to each council for specific contact details and to inform them of the reasons for the survey contradicted the factors that made an internet survey attractive in the first place.

Fortunately, assistance was offered by Mr David Ireland, Chief Executive of The Empty Homes Agency in the form of email addresses for the post holders with the responsibility for empty dwellings in each local authority in England. Mr Ireland also agreed to allow the survey to be launched with a covering email from The Empty Homes Agency explaining the importance of this unique research and urging the recipients to reply (See Appendix 3). It was therefore now possible to overcome the two main obstacles to conducting a successful internet survey; correct email address information and the likelihood of the email being deleted without being read.

Once designed, the survey would be relatively simple to administer. An email would be sent to each recipient and contained within the email message was an electronic link. The recipients would be asked to 'click' the link and they would then be redirected to the site of Bristol Online ([www.survey.bris.ac.uk](http://www.survey.bris.ac.uk)), an internet survey system hosted by Bristol University. The Bristol Online survey system allows information to be exported at a later date and interpreted using various analytical methods.

## **9.4 Questionnaire Design**

### **9.4.1 Formulation of questions**

The questionnaire was made up of a series of questions, each one designed to elicit information on specific areas of the management of empty dwellings.

The questions were a combination of 'closed' questions with a limited number of responses offered and 'open' questions, where the recipient was requested to provide opinion or expand on points that had been raised.

Certain questions requested a 'scaled' response where an answer could be within certain ranges.

A number of questions invited a combination of 'open', 'closed' and 'scaled' responses allowing the recipient to give further information if applicable.

As each research question was formulated, it was tested against the following standards

- Is the question relevant to survey objectives?
- Is the question clear and concise?
- Is the question leading or biased?
- Could the question be sensitive for any member of the population?
- Will the data recovered be in a format that will lend itself to analysis?

*(Frazer, L & Lawley, M 2000)*

Type of response format	Benefits	Limitations
Open questions	Respondents can express themselves freely.	Respondents may write at length.
	Avoids listing all possible answers.	Respondents may write too briefly.
	Useful in exploratory research.	Need for post survey coding of answers
	Caters for respondents who like to answer in their own words.	Can be demanding on respondent
		More time consuming to complete
		More difficult to analyse
Closed questions	Easier to use by both respondent and researcher	Choices may 'lead' the respondent
	Respondents can recognise a response, rather remember it	Must ensure that all responses are mutually exclusive and exhaustive
	Data can be gathered ready for analysis	
	Responses can pre-coded	
	Answers are less variable and can be meaningfully compared	
	Higher response rate and less missing data	
Scaled questions	Useful where information is difficult to quantify	Possible response bias, especially where items tap socially desirable behaviours
	Useful for sensitive topics	
	Items can be re-worded to check reliability	

(Frazer, L & Lawley, M 2000)

**Table 3**

### **9.4.2 Strategies to Maximise Response Rate**

With only 357 potential respondents to the survey, it was important to consider how to maximise the response.

It was accepted that a proportion of those contacted would not reply and a number of the emails sent would not reach their intended recipients due to staff changes and other reasons.

It was decided to offer an incentive in the form of information from the survey and the offer of the results being made available in due course. The recipients would be thanked for taking the time to read and complete the survey.

In order to maximise response, a second email was planned, thanking those had already responded and urging those yet to do so to take the time to complete the survey. It was hoped that this second email would stimulate cognitive dissonance and apply a subtle pressure to 'help out' on those that did not reply to the first email.

### **9.4.3 Threats to Validity**

With any survey, there is a degree of risk that questions may be hurriedly answered or answered in a less than truthful manner. For this reason, it was decided to offer anonymity to those requiring it and a facility to pause and complete the survey later.

It was hoped these steps would minimise the likelihood of respondents providing inaccurate information or to conform to what they believe to be the 'norm' or to avoid embarrassment. Social desirability and political correctness can lead to respondents giving the 'corporate line' answer rather than the real or accurate answer.

## **9.5 Trial survey**

Prior to the full scale launch of the survey, it was decided to run a trial on 10 selected contacts requesting criticism and observations. The trial survey was distributed to a range of people including academic staff at Liverpool John Moores University and empty property practitioners. (See Appendix 4)

Feedback was taken on-board and the survey questions modified as required. (See Appendix 5)

## **9.6 Survey Launch**

Following final amendments the survey was launched onto the Bristol Online system ([www.survey.bris.ac.uk](http://www.survey.bris.ac.uk)) on 19<sup>th</sup> February 2009. The Empty Homes Agency sent out an email urging all of the intended recipients to complete the survey. This e-mail included a link on which to click to access the survey (<http://www.survey.ljmu.ac.uk/edmosurvey>). It was decided to allow the survey to run until 3<sup>rd</sup> March 2009, with the second, follow-up, email being sent on 25<sup>th</sup> February 2009. (See appendix 6)

On 3<sup>rd</sup> March 2009 the survey closed and the information was ready for analysis and interpretation.

## **9.7 Data Collection**

The Bristol Online system allows for the monitoring of responses as they are received. This allows dip-sampling of the information as it comes in and highlights any potential weaknesses in the questions being asked. The analysis of the response rate allows for a decision on whether a follow-up email reminder is required.

Through monitoring of the response rate, a notable tail off replies was noted after 5 days and it was at this point that the follow-up email was sent, thanking those that had already responded and urging others to reply.

A number of councils were known to have proactive empty dwelling strategies and it was noted that a number of these did not respond, even to the second email. It was decided to make personal contact with these subjects and so telephone calls were made to them. These calls were to ensure that they had received the e-mails and did in fact know about the survey.

The collected data was stored in the Bristol Online computer system awaiting data transfer.

## **9.8 Data Management**

### **9.8.1 Data Correction and Transformation**

All information received was checked. It was inevitable that respondents would make typographical errors and answer certain questions in an incompatible format. An example of this would be a numeric response as written word instead of digit as required by the analytical software to be used, (eg 'TWO' instead of '2'). Certain answers were clearly incorrect as they were out of the range of possibility. The survey did produce a number of these anomalies and these were corrected following contact with the councils concerned. All were typographical errors.

Fortunately none of the replies were malicious and as such all replies were able to be counted as valid.

The survey software, Bristol Online, was used to create what is known as a code book. This is, in effect, a collection of cross references. The cross references allow numerical values to be applied to non numerical or range answers. For example in a question where the possible answers may 'Yes', 'No' and 'Maybe', the value 1 would be applied to 'Yes', 2 to 'No' and 3 to 'Maybe'. This allows the information to be analysed effectively using analytical software.

### **9.8.2 Export of Data**

The Bristol Online system is compatible with a range of analytical software types. The analytical software chosen for this study was the Statistical Package for Social Sciences or 'SPSS'. Developed by Norman Nie and C. Hadlai Hull in the late 1960s, this software package allows for information to be analysed and presented in graphical and tabular format. (*Argyrous, G 2005*)

The information was exported from Bristol Online to SPSS (version 15). This presented the cleaned survey data in a spread sheet from which basis a range of statistical comparisons and graphical representations would be able to be produced.

## **9.9 Thematic Data Analysis**

To allow for the analysis of text answers, each response was read individually. Broad themes were identified and a tally was kept of each respondent that referred to each given theme. As such a pattern of responses for each question could be deducted.

## **9.10 Input of Additional Data**

Other than the data gathered during the survey, there was a certain amount of pre-existing statistical information available that was to be included in the SPSS data spread sheet to allow it to be analysed alongside the survey data. The most recent full data sets available, those up to April 2008, have been used.

The additional information for each of the authorities that replied to the survey is shown below:

- BVPI64 Best Value Performance Indicator for each authority in terms of returning privately owned empty dwellings to use (or through demolition).  
*(Audit Commission)*
- Region classification *(www.direct.gov)*
- DEFRA area type classification *(Defra 2005)*
- Number of empty homes per local authority area *(DCLG HSSA 2008)*
- Number of privately owned homes empty for 6 months or more per local authority area *(DCLG HSSA 2008)*
- Numbers of homeless families per local authority area *(DCLG 2008)*

## **9.11 Additional Telephone Mini Survey**

An additional telephone survey was carried out to ascertain the current status of dwellings upon which interim EDMOs had been granted. This small survey population was of eleven councils and as such suited a personal telephone survey of the empty homes officers.

The results of this mini survey will be used to demonstrate how effective the EDMO process has been following the granting of an interim EDMO. It will also show how many interim EDMOs have progressed to the final EDMO stage.

This information has not previously been surveyed and the information has not been gathered or published.

### **9.12 Data Analysis**

All of the information gathered both from this study's two surveys and from existing statistical data sources will be analysed to allow the testing of the research hypothesis; that is, that the true effectiveness of the EDMO is not accurately reflected in the headline figures.

The analysis of the information gathered will also provide a valuable insight into views and attitudes held by empty property practitioners towards the EDMO.

This analysis of the data will highlight issues and blockages to the use of EDMOs and as such will be of value to policy makers and empty property practitioners nationwide.

### **9.13 Data Analysis Methods Used**

The survey and additional data was subject to two basic interpretation methods using SPSS.

- *Descriptive Statistics* are used to describe the basic features of the data. This style of analysis provides summaries about the subjects of the survey and the information that they have provided in the survey. Descriptive Statistics allow for the information to be presented in a graphical, tabular or summary form.
  
- *Inferential statistics* are used to draw inferences about a population from a representative sample. The statistical information gathered in this research is from a cross section of the local authorities within England. As such the use of inferential analysis will be of some value in ascertaining broad patterns for the country as a whole. The existence of correlations and relationships will be explored using Chi-square and Pearson correlation.

Chi square analysis will be used for determining if a relationship exists between two categorical variables, that is, values which are codes as opposed to numerical values. For example 'No' might equal '1' and 'Yes' might equal '2'. Chi Square analysis illustrates the strength of a relationship between categorical variables, but not the nature or cause of the relationship.

The Pearson correlation is used to explore whether there is a linear relationship between two variables, for example the relationship between obesity and heart disease. The relationship can be expressed as a positive or negative correlation; where a positive correlation might be that fatter people are more prone to heart disease, and a negative correlation might be that fatter people are less prone to heart disease.

#### **9.14 Dissemination of the Results**

This essentially is the presentation of the survey results and findings in this dissertation.

The Empty Homes Agency, The National Association of Empty Property Practitioners and the Residential Property Tribunal have requested the results and conclusions of this study in order that they can publish and distribute the findings. (See Appendix 7)

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**Chapter 10**  
**Survey Results and Analysis**

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## **10.0 Survey Results and Analysis**

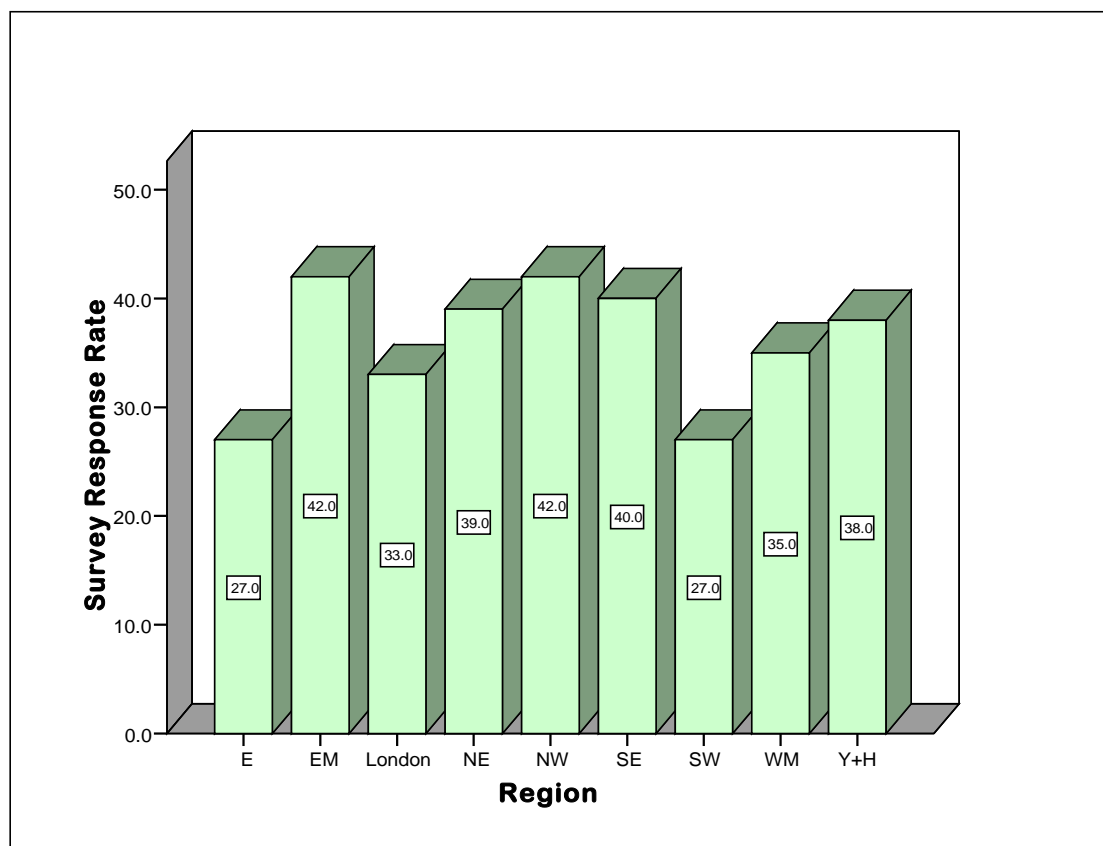
### **10.1 Main Survey**

The survey achieved received 127 replies. Given the potential maximum return of 354, this gave an overall response rate of a pleasing 35.8%. This compares favourably with similar surveys such as the Survey of Empty Properties July 2006 commissioned by the North London Sub-Region and conducted by MORI (*Ipsos MORI 2006*) and the Survey of Empty Private Properties February 2005 commissioned by Birmingham City Council and conducted by MORI (*Ipsos MORI 2005*) which only managed to gain 27% and 24% respectively.

All survey data is attached to this dissertation as a CD ROM.

## Q 1 Local authority name?

Survey Response Rates by Region



The table below shows the geographical spread of the respondents by region

Region	Frequency	Percent	Valid Percent	Cumulative Percent
Valid E	13	10.2	10.2	10.2
EM	17	13.4	13.4	23.6
LONDON	11	8.7	8.7	32.3
NE	9	7.1	7.1	39.4
NW	18	14.2	14.2	53.5
SE	27	21.3	21.3	74.8
SW	12	9.4	9.4	84.3
WM	12	9.4	9.4	93.7
Y+H	8	6.3	6.3	100.0
Total	127	100.0	100.0	

The above graph shows the proportion of local authorities in each area of the country that responded to the survey, for example 18 local authorities replied from the North West region out of a potential 43 respondents, which is a 42% response rate.

The following classification from Defra was used to analyse the response rates from different *types* of local authority

### **Classification of Local Authority Districts and Unitary Authorities (LAD)**

#### **Major Urban (MU)**

An LAD is classified as 'Major Urban' if it has a minimum of 100,000 people *or* a minimum of 50 percent of its total population resident within a major urban area (i.e., an urban area with at least 750,000 population). There are 76 LADs in this group.

#### **Large Urban (LU)**

An LAD is classified as 'Large Urban' if it has a minimum of 50,000 people *or* a minimum of 50 percent of its total population resident within a large urban area (i.e., an urban area with between 250,000 and 750,000 population). There are 45 LADs in this group.

#### **Significant Rural (SR)**

LADs with more than 37,000 people *or* more than 26 percent but less than 50 percent of their population in rural settlements and larger market towns.

#### **Other Urban (OU)**

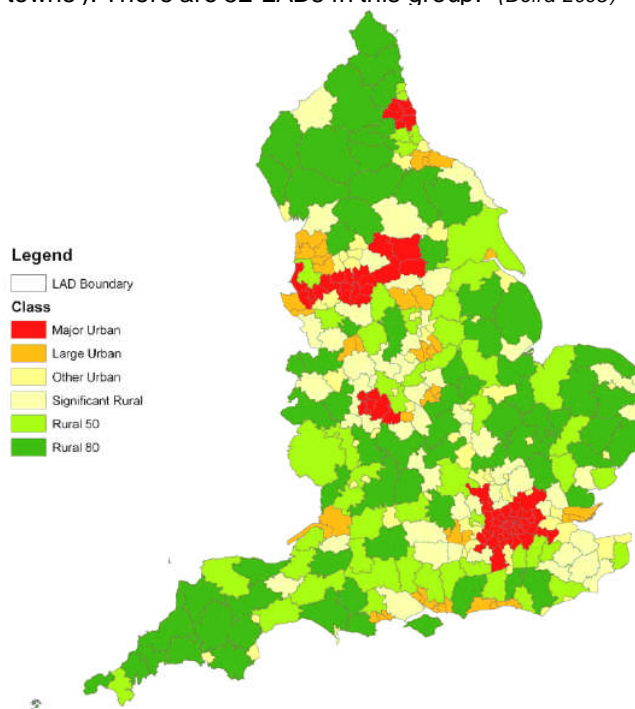
LADs with fewer than 37,000 people *and* less than 26 percent of their population in rural settlements and larger market towns.

#### **Rural 80 (R80)**

A district has at least 80 percent of its population in rural settlements (including urban areas with between 10,000 and 30,000 population regarded for this exercise as 'larger market towns'). There are 73 LADs in this group.

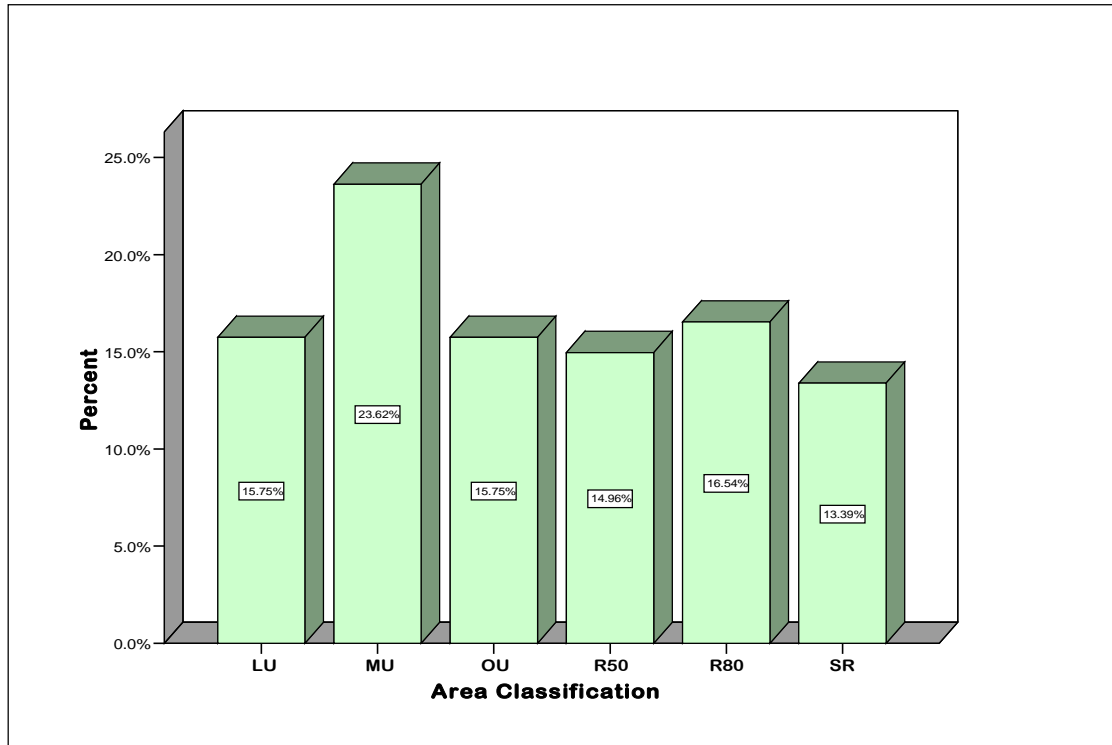
#### **Rural 50 (R50)**

A district must have at least 50 percent but less than 80 percent of its population in rural settlements (including urban areas with between 10,000 and 30,000 population regarded for this exercise as 'larger market towns'). There are 52 LADs in this group. (Defra 2005)



(Defra 2005)

### Survey Response Rates by Area Classification

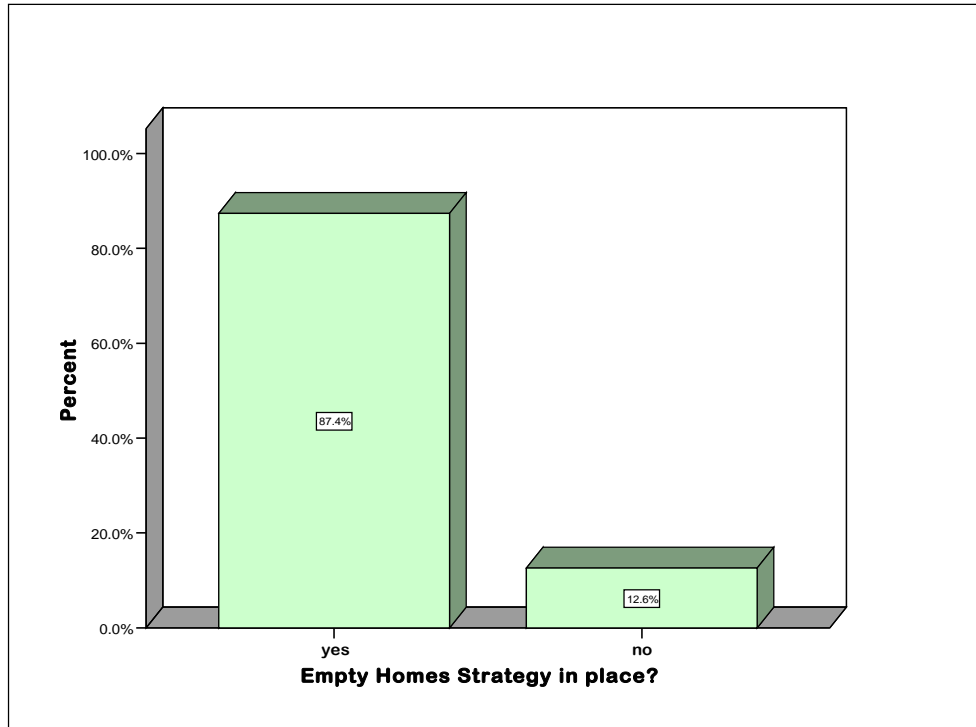


#### Area Classification

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	LU	20	15.7	15.7	15.7
	MU	30	23.6	23.6	39.4
	OU	20	15.7	15.7	55.1
	R50	19	15.0	15.0	70.1
	R80	21	16.5	16.5	86.6
	SR	17	13.4	13.4	100.0
	Total	127	100.0	100.0	

The analysis of the both the geographical spread of the respondents and the area type of the respondents suggests variations in the motivation and proactivity of local authorities around England. The Major Urban (MU) classification shows a significantly higher response rate, as would be expected. The East and South West regions show significantly lower response rates. This may correspond to a lower priority being placed on empty dwellings.

**Q 2 Does your local authority have an 'Empty Homes' Strategy?**



**Empty Homes Strategy in place?**

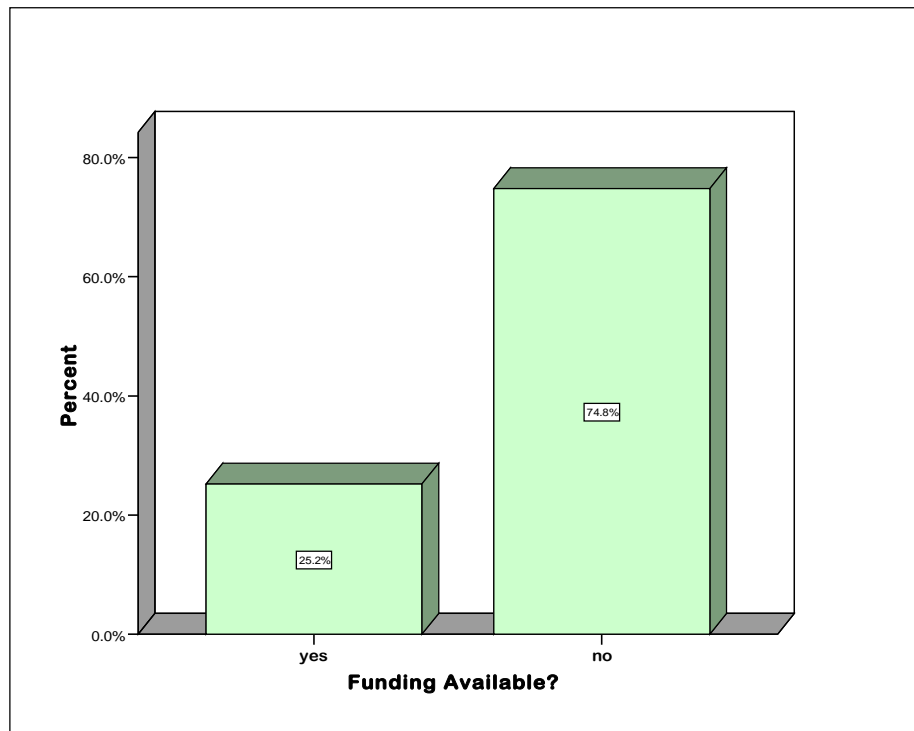
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid yes	111	87.4	87.4	87.4
no	16	12.6	12.6	100.0
Total	127	100.0	100.0	

The results showed that 87.4% of local authorities that responded did have an Empty Homes Strategy in place. More significantly, 12.6% *did not* that is 1 in 8 authorities.

**Geographical Spread of Respondents with Empty Homes Strategy in Place**

		Empty Homes Strategy in place?		Total
		yes	no	
Region	E	13	0	13
	EM	16	1	17
	LONDON	10	1	11
	NE	7	2	9
	NW	15	3	18
	SE	23	4	27
	SW	11	1	12
	WM	9	3	12
	Y+H	7	1	8
Total		111	16	127

**Q 3 Does your local authority have funding in place for empty dwelling management orders?**



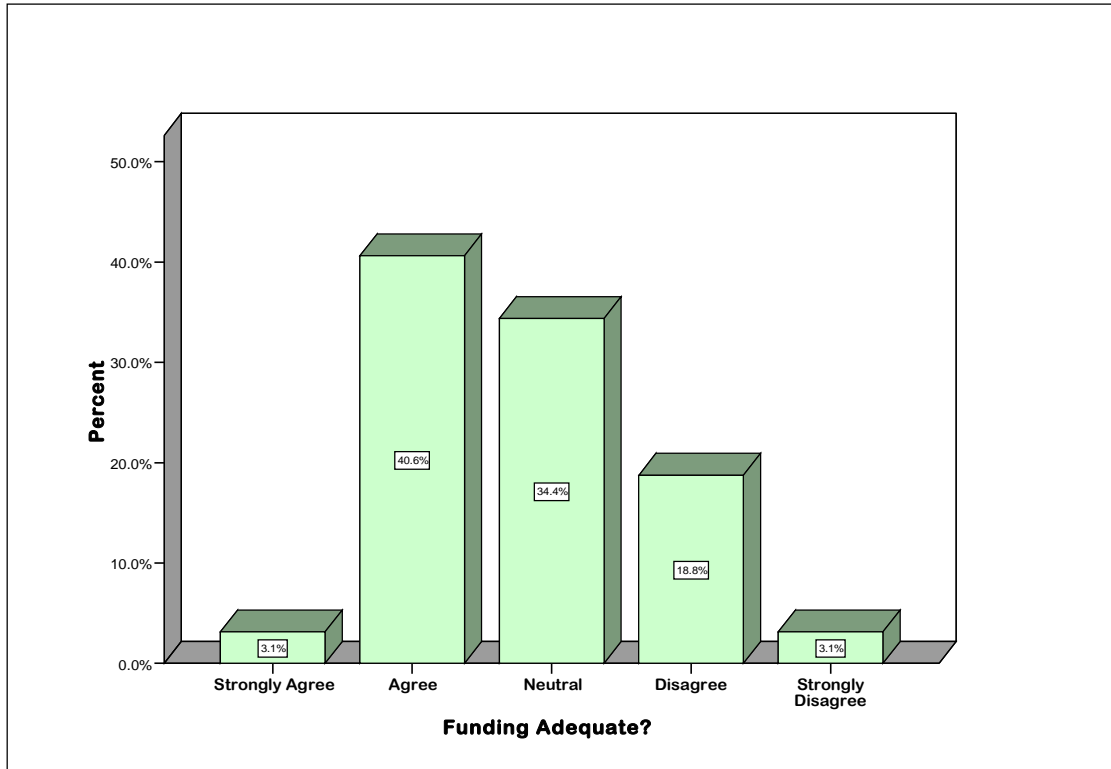
**Funding Available?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	32	25.2	25.2	25.2
	no	95	74.8	74.8	100.0
	Total	127	100.0	100.0	

Of the survey respondents, 74.8% stated that they had no funding available for EDMOs.

**Q3a Do you believe that the budget available is adequate?**

Those respondents that replied 'Yes' to question 3 were asked a secondary question. Those that responded 'No' did not get this second question.

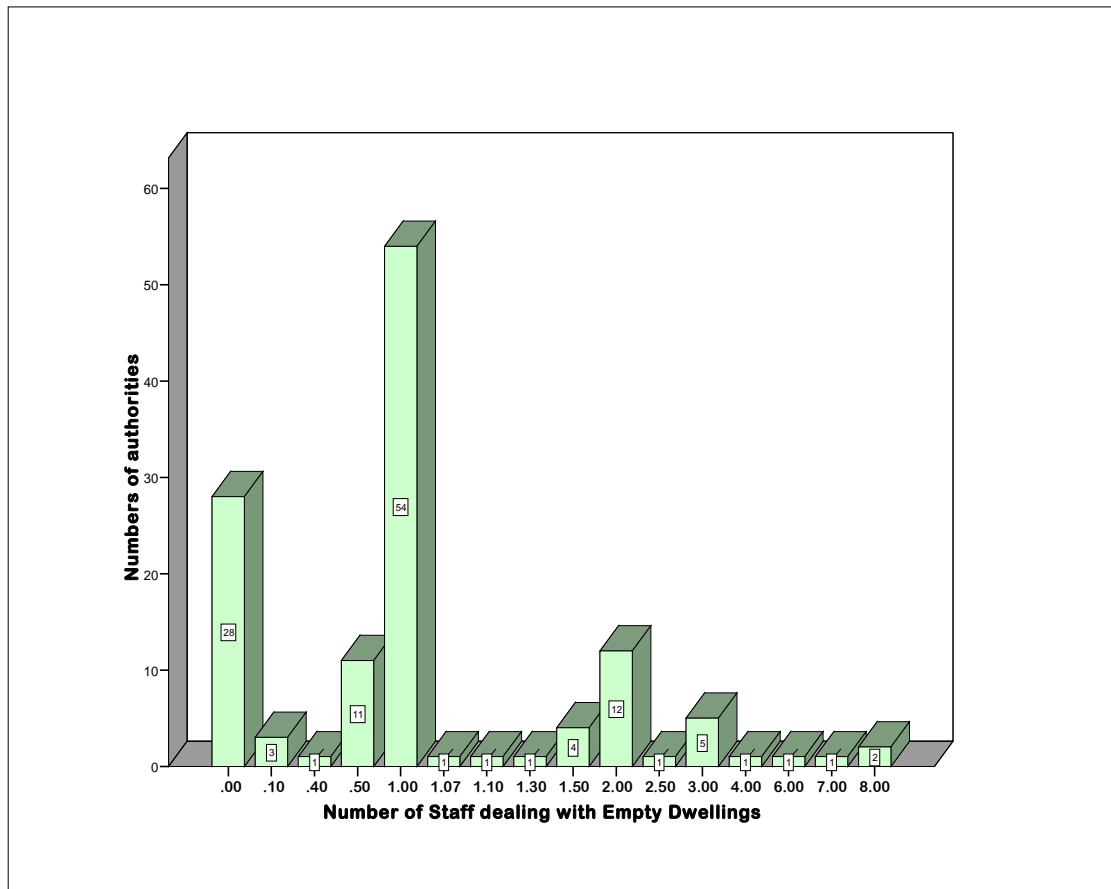


**Funding Adequate?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	1	.8	3.1	3.1
	Agree	13	10.2	40.6	43.8
	Neutral	11	8.7	34.4	78.1
	Disagree	6	4.7	18.8	96.9
	Strongly Disagree	1	.8	3.1	100.0
	Total	32	25.2	100.0	
Missing	System	95	74.8		
	Total	127	100.0		

The results showed that the majority (43.7%) of those with funding in place believed that the funding was adequate, with 21.3% stating that the funding was not adequate.

**Q 4 How many people are employed in your empty homes department?**



**Number of Staff dealing with Empty Dwellings**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid				
.00	28	22.0	22.0	22.0
.10	3	2.4	2.4	24.4
.40	1	.8	.8	25.2
.50	11	8.7	8.7	33.9
1.00	54	42.5	42.5	76.4
1.07	1	.8	.8	77.2
1.10	1	.8	.8	78.0
1.30	1	.8	.8	78.7
1.50	4	3.1	3.1	81.9
2.00	12	9.4	9.4	91.3
2.50	1	.8	.8	92.1
3.00	5	3.9	3.9	96.1
4.00	1	.8	.8	96.9
6.00	1	.8	.8	97.6
7.00	1	.8	.8	98.4
8.00	2	1.6	1.6	100.0
Total	127	100.0	100.0	

### Statistics

Number of Staff dealing with Empty Dwellings

N	Valid	127
	Missing	0
Mean		1.1352
Median		1.0000
Mode		1.00
Std. Deviation		1.36444

The results show that the average number of people employed to in empty homes departments is one.

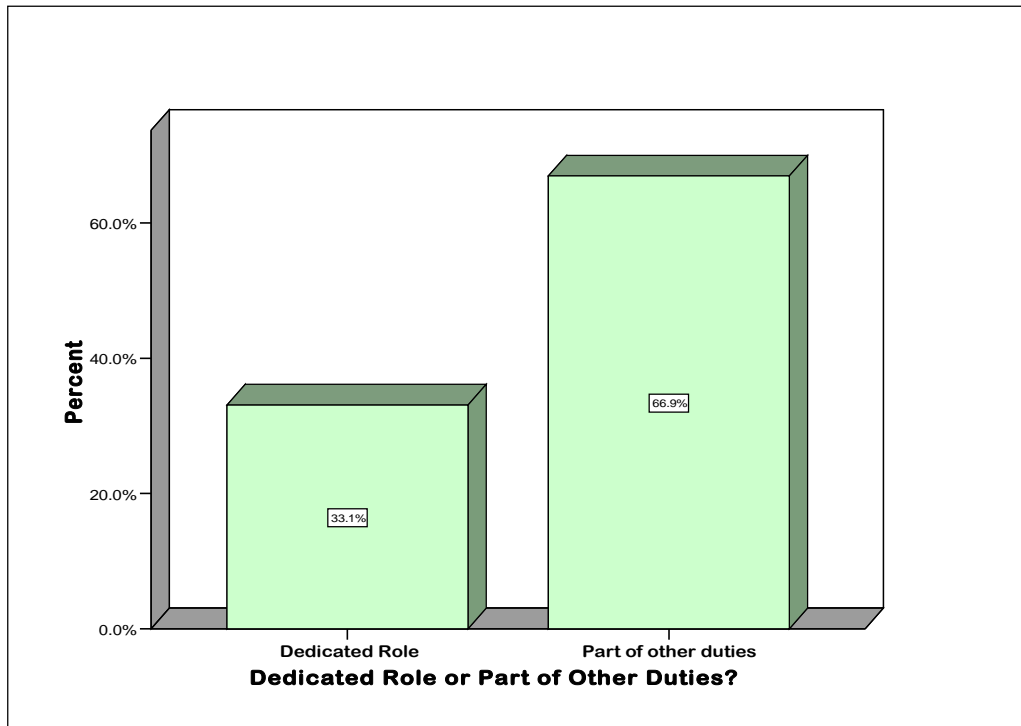
22% of respondents do not have any staff.

42.5% of respondents have one member of staff.

2 local authorities have 8 members of staff.

The surprisingly large proportion of respondents that reported that they had no staff could potentially be explained by responsibility for empty dwellings lying within the remit of larger departments, such as private sector housing. Although interesting, these results may be slightly misleading.

**Q 5 Is you role as empty dwelling officer a dedicated position or does it form part of other duties?**

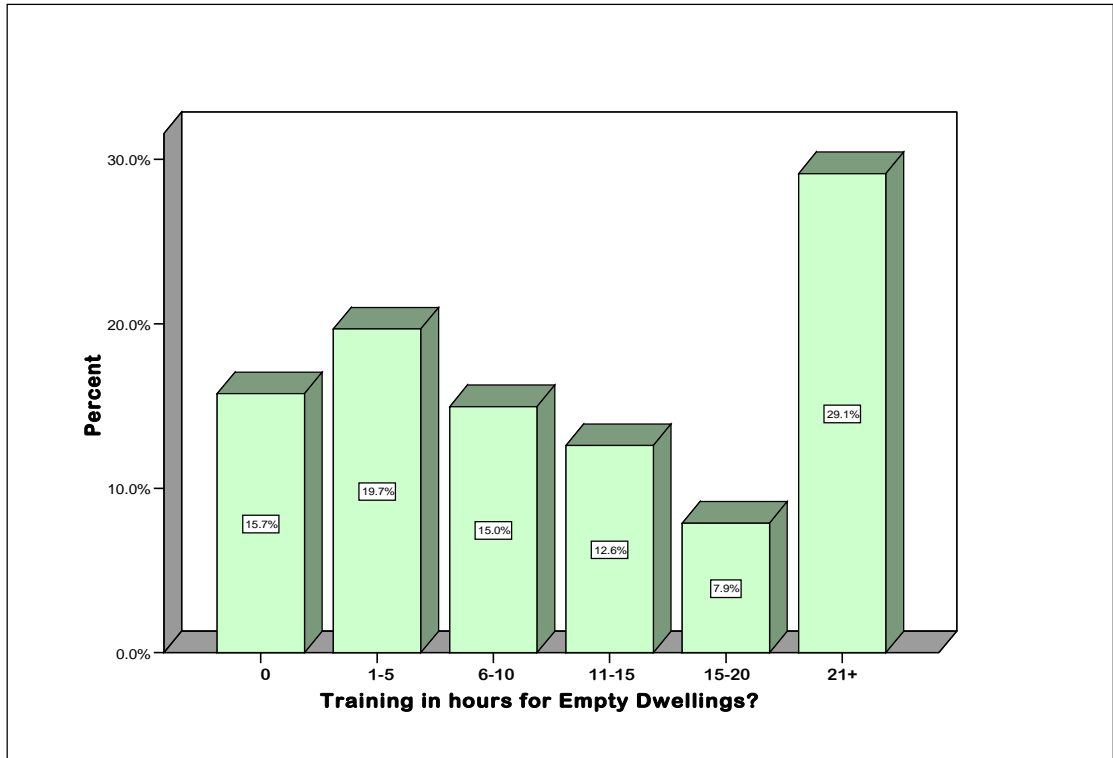


**Dedicated Role or Part of Other Duties?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Dedicated Role	42	33.1	33.1	33.1
	Part of other duties	85	66.9	66.9	100.0
	Total	127	100.0	100.0	

Two thirds of empty homes officers that replied to the survey stated that their role as empty homes officer formed part of other duties and was not a dedicated role.

**Q 6 Approximately how many hours training have you received on empty dwellings?**



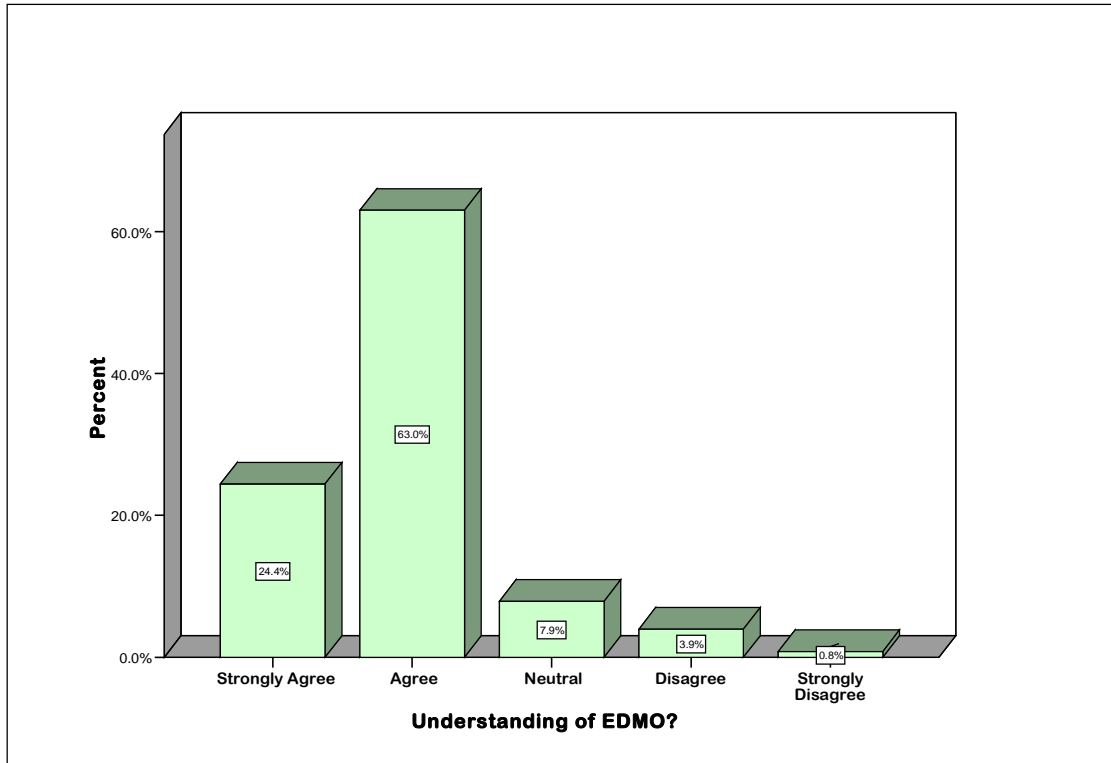
**Training in hours for Empty Dwellings?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	20	15.7	15.7	15.7
	1-5	25	19.7	19.7	35.4
	6-10	19	15.0	15.0	50.4
	11-15	16	12.6	12.6	63.0
	15-20	10	7.9	7.9	70.9
	21+	37	29.1	29.1	100.0
Total		127	100.0	100.0	

This question raised some very interesting results. The survey was directed to those individuals with responsibility for managing empty homes. 20 of the respondents, that is 15.7% stated that they have received *no* training in the management of empty property.

Conversely, a healthy proportion (29.1%) claim to have received over 21 hours training in the management of empty homes.

**Q 7 Consider the following statement ‘I have an understanding of the empty dwelling management order’**



**Understanding of EDMO?**

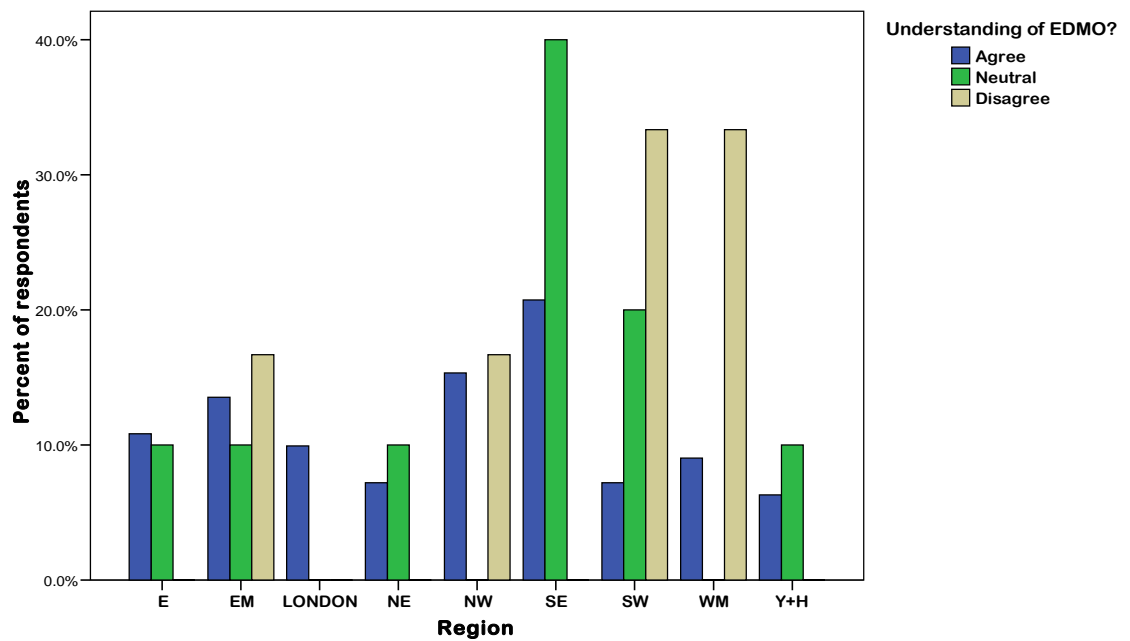
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	31	24.4	24.4	24.4
	Agree	80	63.0	63.0	87.4
	Neutral	10	7.9	7.9	95.3
	Disagree	5	3.9	3.9	99.2
	Strongly Disagree	1	.8	.8	100.0
	Total	127	100.0	100.0	

Encouragingly, 87.4% of the survey respondents stated that they had an understanding of the EDMO, with only 4.7% stating that they did not have an understanding of EDMO.

The results of this question may be susceptible to the respondents wishing to answer positively and the possibility that they have a less complete understanding of EDMO than they are admitting to.

A further analysis of the data was carried out to examine the geographical spread of the knowledge of EDMO within the respondents.

The data was recoded for simplicity with the responses with 'Agree' and 'Strongly' and 'Disagree' and 'Strongly Disagree' being combined respectively

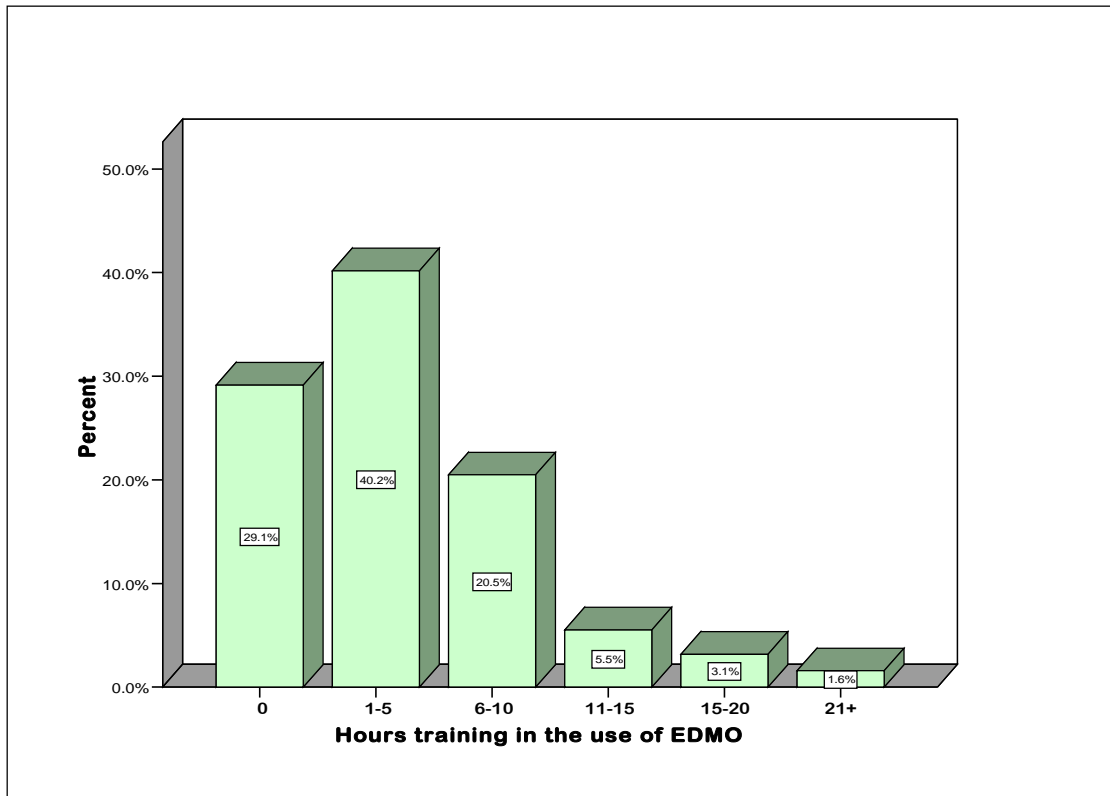


This highlighted that the South West and the West Midlands proportionally had a lower understanding of EDMO with around 33% each of the total respondents who disagreed that they had an understanding coming from these areas.

The respondents from London offered no neutral or disagreement relies.

This might provide a basis for further training requirements regionally.

**Q 8 Approximately how many hours training have you received on the use of the empty dwelling management order?**

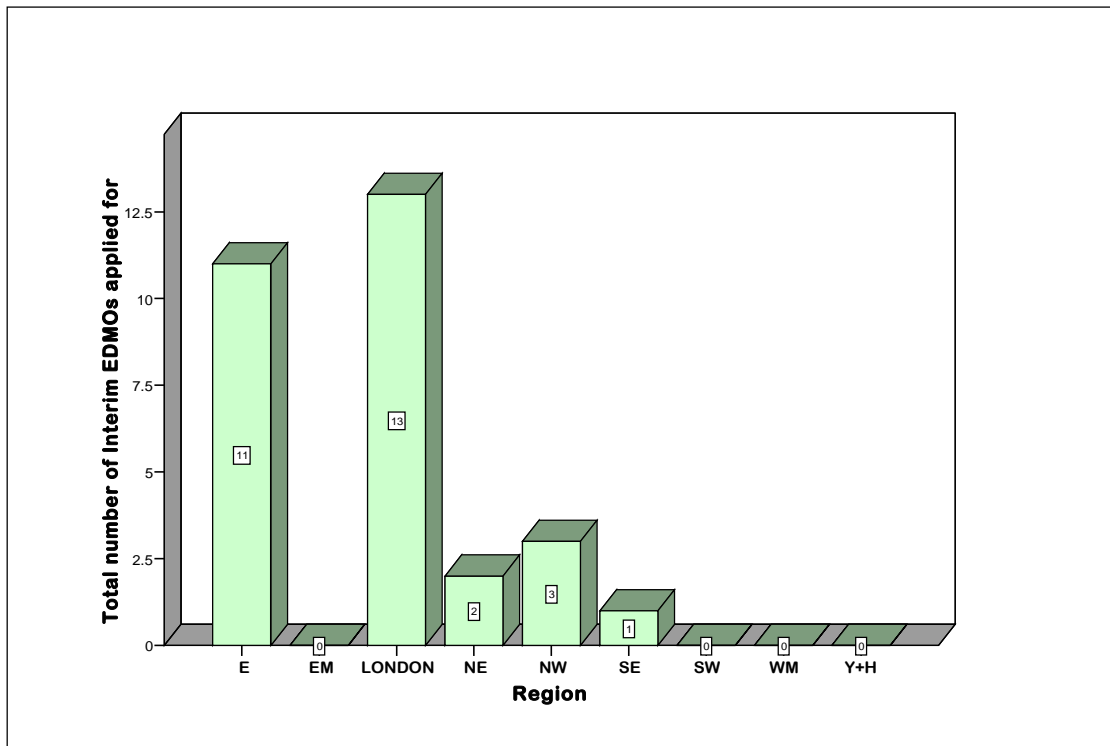


		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	37	29.1	29.1	29.1
	1-5	51	40.2	40.2	69.3
	6-10	26	20.5	20.5	89.8
	11-15	7	5.5	5.5	95.3
	15-20	4	3.1	3.1	98.4
	21+	2	1.6	1.6	100.0
	Total	127	100.0	100.0	

The results to this question speak volumes. 69.3% of those who responded state that they have received 5 or less hours training on the use of EDMO, with 89.8% having 10 hours or less training. In fact, only 13 local authority areas that responded have received over 11 hours of training.

**Q 9 How many times have the following situations arisen within your local authority area?**

**9a) Interim EDMO applied for**



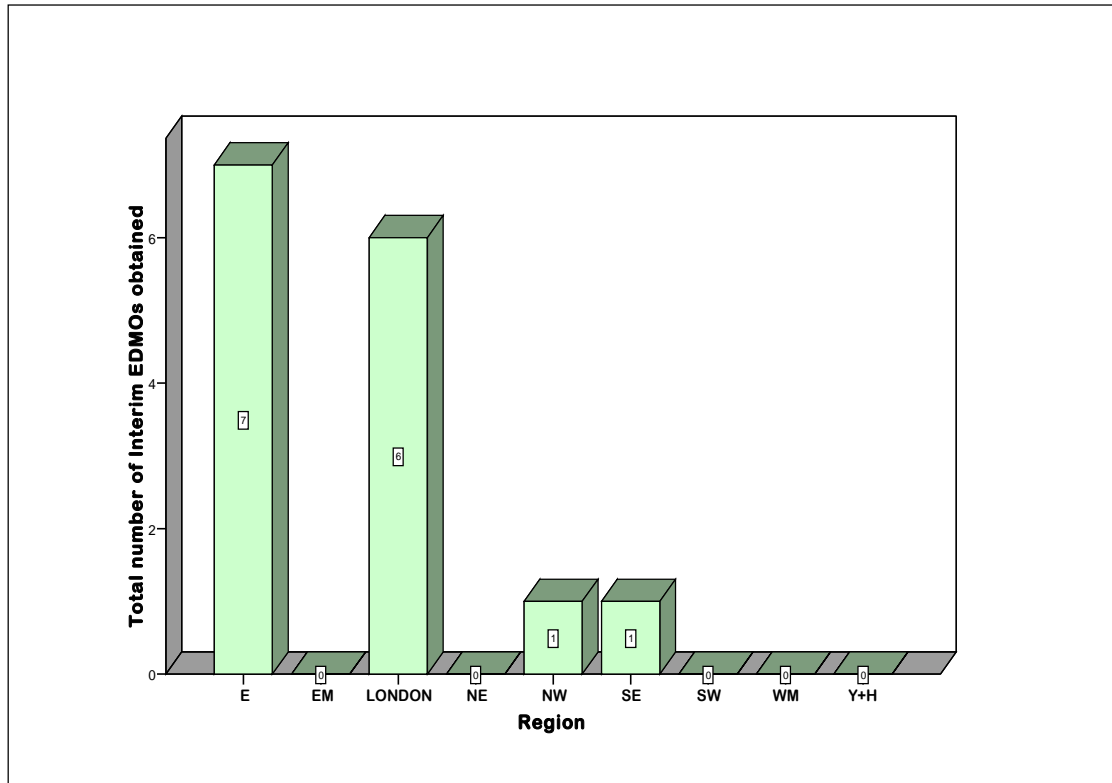
**Interim applied for**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 0	118	92.9	92.9	92.9
1	5	3.9	3.9	96.9
3	1	.8	.8	97.6
5	1	.8	.8	98.4
8	1	.8	.8	99.2
9	1	.8	.8	100.0
Total	127	100.0	100.0	

The results of this question highlight that the vast majority (92.3%) of the respondent councils have not applied for an EDMO. The graph illustrates the regional disparity of applications.

This illustration, however, is slightly misrepresentative in that within London and the East are two councils that have applied for 8 and 9 EDMOs respectively, thereby distorting the statics and making it appear that these areas as a whole are out-performing the rest of the country.

**9b) Interim EDMO obtained**



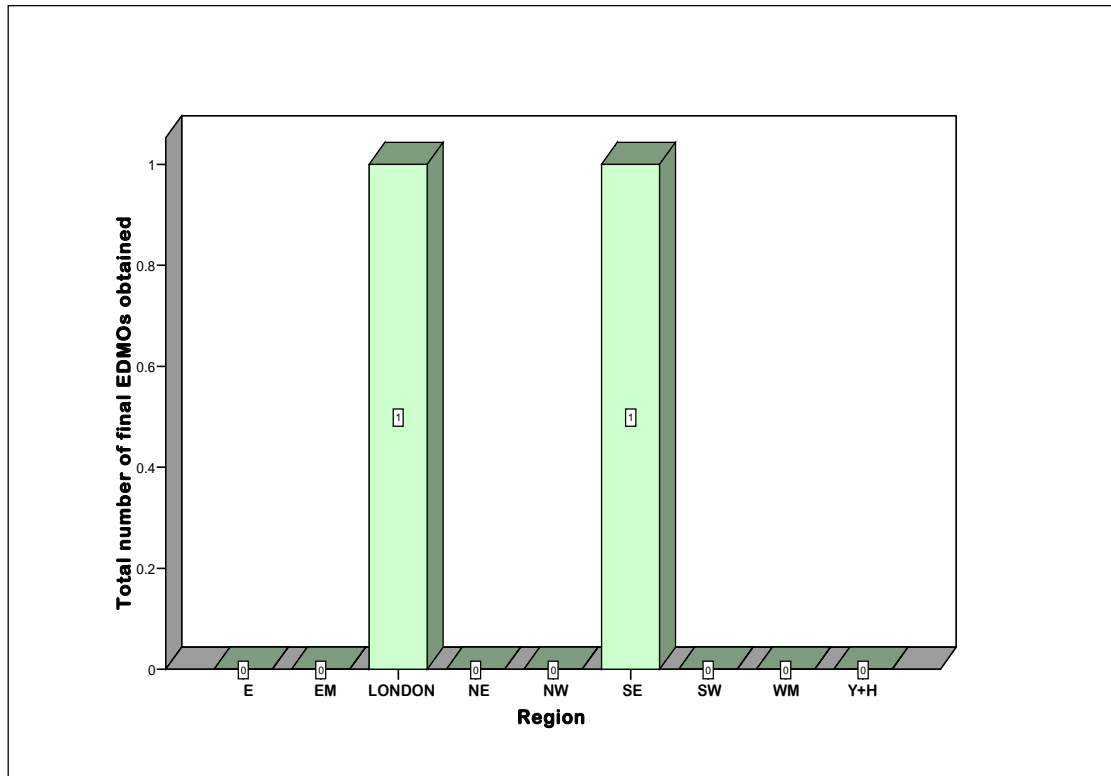
**Interim obtained**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 0	122	96.1	96.1	96.1
1	3	2.4	2.4	98.4
5	1	.8	.8	99.2
7	1	.8	.8	100.0
Total	127	100.0	100.0	

Given the previous statistic regarding EDMO applications, it follows as no surprise that London and the East have obtained the lion's share of EDMOs, with 13 of the survey respondents' 15 approved EDMO's.

The graph also illustrates clearly that with the exception of 1 EDMO in the North West, all of the EDMOs reported on in this survey come from the southern portion of England.

9c) Final EDMO obtained



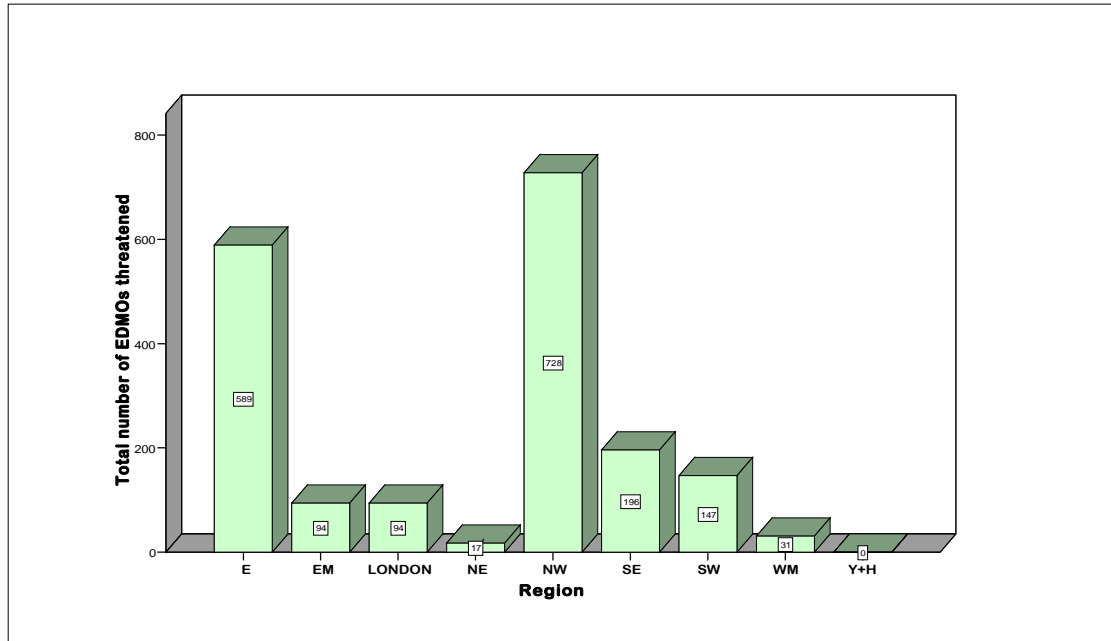
Final obtained

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 0	125	98.4	98.4	98.4
1	2	1.6	1.6	100.0
Total	127	100.0	100.0	

Just two of the survey respondents report having converted an interim EDMO to a final EDMO.

Interestingly, a secondary survey was carried out following up on all interim EDMO applications. The survey respondent from London that claims a final EDMO (Hounslow), in fact has not progressed an interim EDMO to final as the survey suggests. This result is therefore unreliable. The respondent from the South East (South Oxfordshire) has correctly claimed one final EDMO.

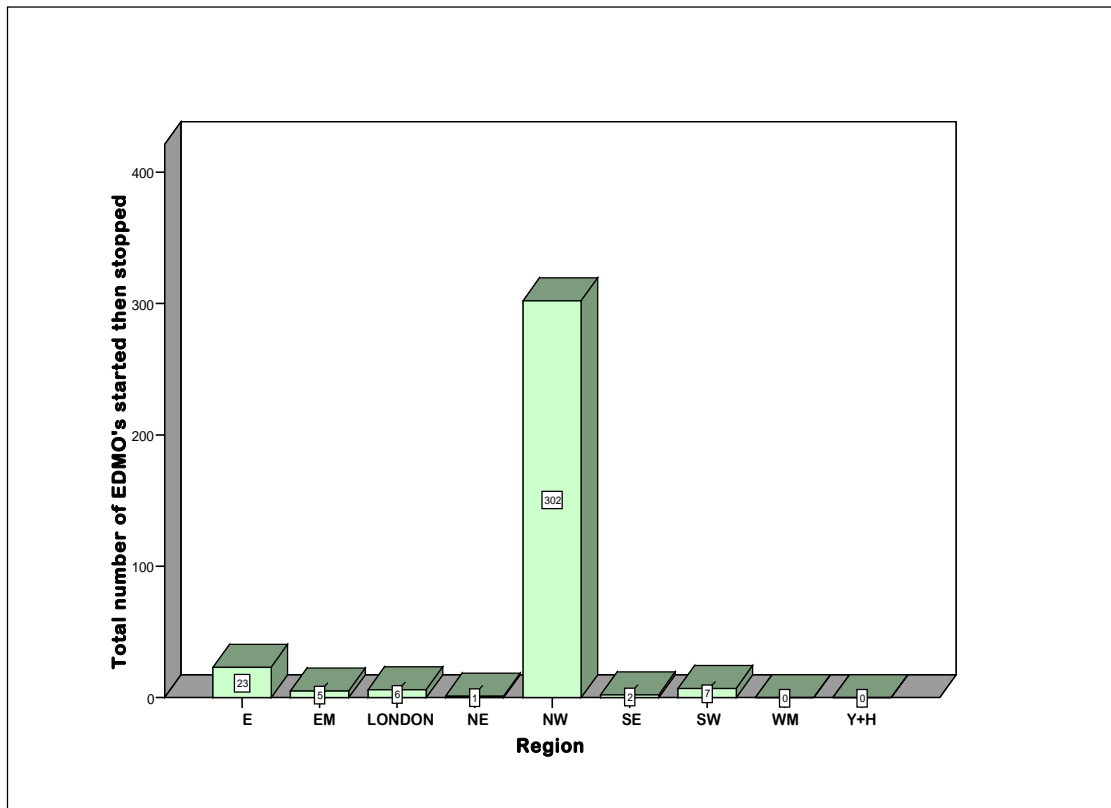
### 9d) Use of EDMO threatened



		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	63	49.6	54.8	54.8
	1	8	6.3	7.0	61.7
	2	5	3.9	4.3	66.1
	3	5	3.9	4.3	70.4
	4	2	1.6	1.7	72.2
	5	6	4.7	5.2	77.4
	6	3	2.4	2.6	80.0
	8	2	1.6	1.7	81.7
	10	4	3.1	3.5	85.2
	12	1	.8	.9	86.1
	14	1	.8	.9	87.0
	15	1	.8	.9	87.8
	25	1	.8	.9	88.7
	30	4	3.1	3.5	92.2
	35	1	.8	.9	93.0
	50	2	1.6	1.7	94.8
	80	1	.8	.9	95.7
	100	2	1.6	1.7	97.4
	250	1	.8	.9	98.3
	400	1	.8	.9	99.1
	500	1	.8	.9	100.0
	Total	115	90.6	100.0	
Missing	System	12	9.4		
Total		127	100.0		

This result will be of particular interest as it illustrates the extent to which the EDMO process is threatened by local authorities. 51% of respondents use the threat of EDMO in some form or other and the cumulative figure for the number of times that EDMO has been threatened by the survey respondents is 1905. Conversely 49% do not use EDMO in any form.

9e) **EDMO process started then stopped due to property progressing towards use**

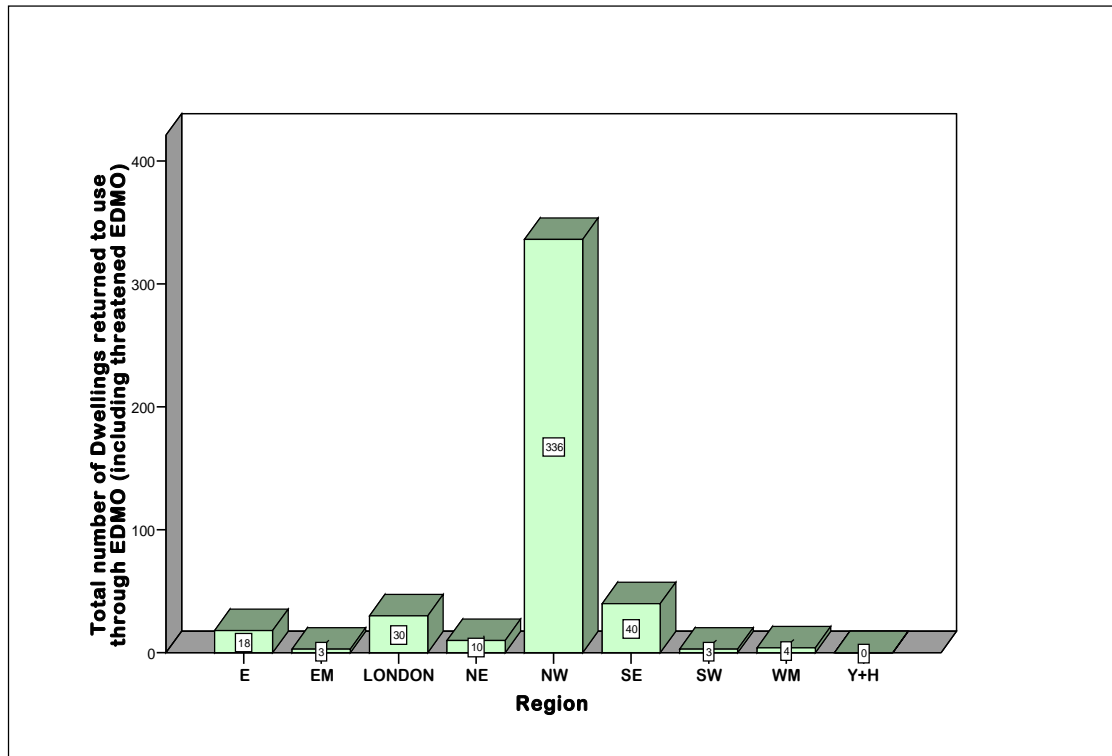


**EDMO started then stopped**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	96	75.6	86.5	86.5
	1	6	4.7	5.4	91.9
	2	2	1.6	1.8	93.7
	3	2	1.6	1.8	95.5
	5	3	2.4	2.7	98.2
	15	1	.8	.9	99.1
	300	1	.8	.9	100.0
	Total	111	87.4	100.0	
Missing	System	16	12.6		
Total		127	100.0		

This statistic is hugely distorted. Manchester claims to have started the EDMO process 300 times. The authority has initiated its own internal EDMO process on numerous occasions but yet to actually obtain an EDMO. The value of this statistic is to show that active use of the EDMO process is taking place.

9f) Total dwellings returned to use through EDMO (including threatened EDMO)

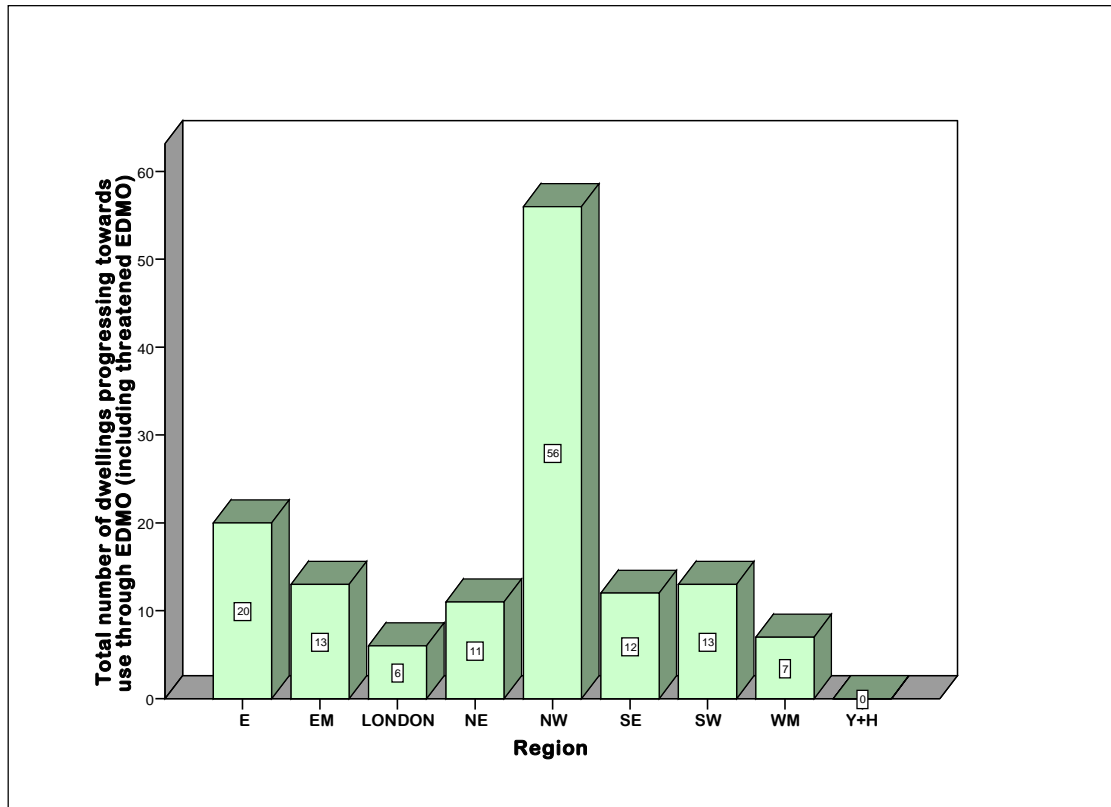


Dwellings returned to use through EDMO

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	82	64.6	78.1	78.1
	1	3	2.4	2.9	81.0
	2	4	3.1	3.8	84.8
	3	5	3.9	4.8	89.5
	4	2	1.6	1.9	91.4
	7	1	.8	1.0	92.4
	8	1	.8	1.0	93.3
	10	2	1.6	1.9	95.2
	11	1	.8	1.0	96.2
	20	2	1.6	1.9	98.1
	24	1	.8	1.0	99.0
	300	1	.8	1.0	100.0
	Total	105	82.7	100.0	
Missing	System	22	17.3		
Total		127	100.0		

This result shows graphically that the effectiveness of EDMO is greater than suggested by the current statistics. The cumulative total of properties claimed to have actually been returned to use through the utilisation of EDMO (incl threat) is 444. Please note that this is not the national figure, but the figure obtained from the 127 respondents to the survey.

**9g) Total dwellings progressing towards use through EDMO (including threatened)**

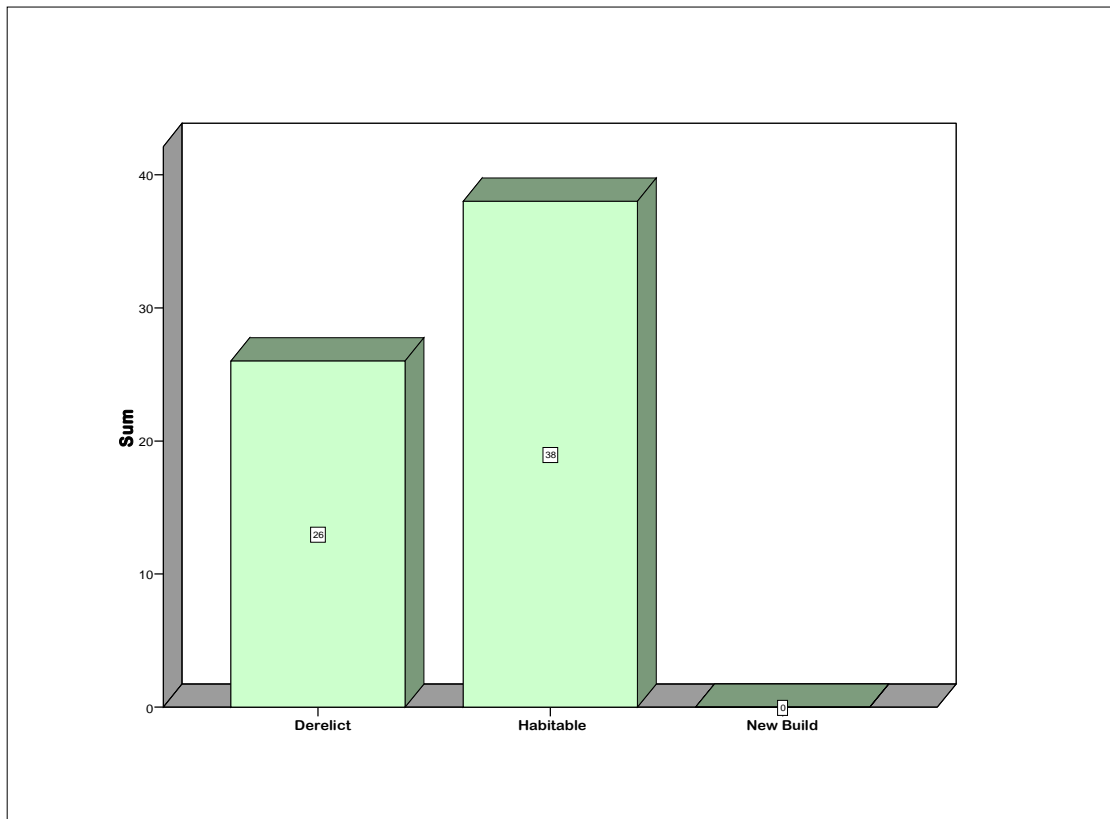


**Dwellings progressing towards use through EDMO**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	70	55.1	70.0	70.0
	1	7	5.5	7.0	77.0
	2	9	7.1	9.0	86.0
	3	3	2.4	3.0	89.0
	4	3	2.4	3.0	92.0
	5	3	2.4	3.0	95.0
	6	1	.8	1.0	96.0
	7	3	2.4	3.0	99.0
	50	1	.8	1.0	100.0
	Total		100	78.7	100.0
Missing	System	27	21.3		
Total		127	100.0		

This result, combined with the previous result, shows that EDMO legislation is leading to dwellings returning to use. 138 properties are reported as being actively in the process of being returned to use through the use of EDMO (incl threat). The combined total of 582 properties either back in use, or on their way back into use has been reported from the 127 respondents.

**Q 10 If EDMO's have been used or threatened in your local authority area what type of dwellings have been involved?**



**Derelict**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	no	101	79.5	79.5	79.5
	yes	26	20.5	20.5	100.0
Total		127	100.0	100.0	

**Habitable**

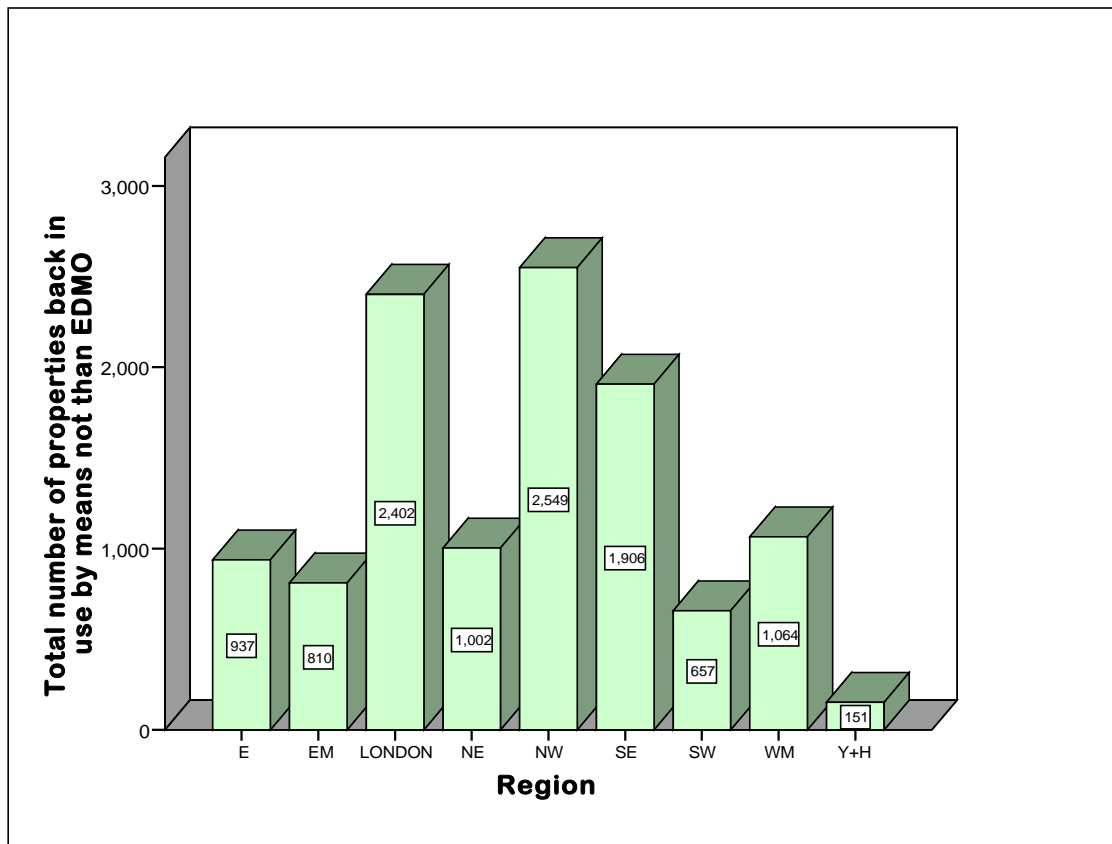
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	no	89	70.1	70.1	70.1
	yes	38	29.9	29.9	100.0
Total		127	100.0	100.0	

**New Build**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	no	127	100.0	100.0	100.0

This set of results shows that of the survey respondents, 26 authorities used EDMOs (incl threat) on derelict properties and 38 have used them on derelict properties. None of the survey respondents have used EDMOs on new build properties.

**Q 11 How many empty dwellings have been returned to use through other means (not EDMO) since start of EDMO powers in 2006**



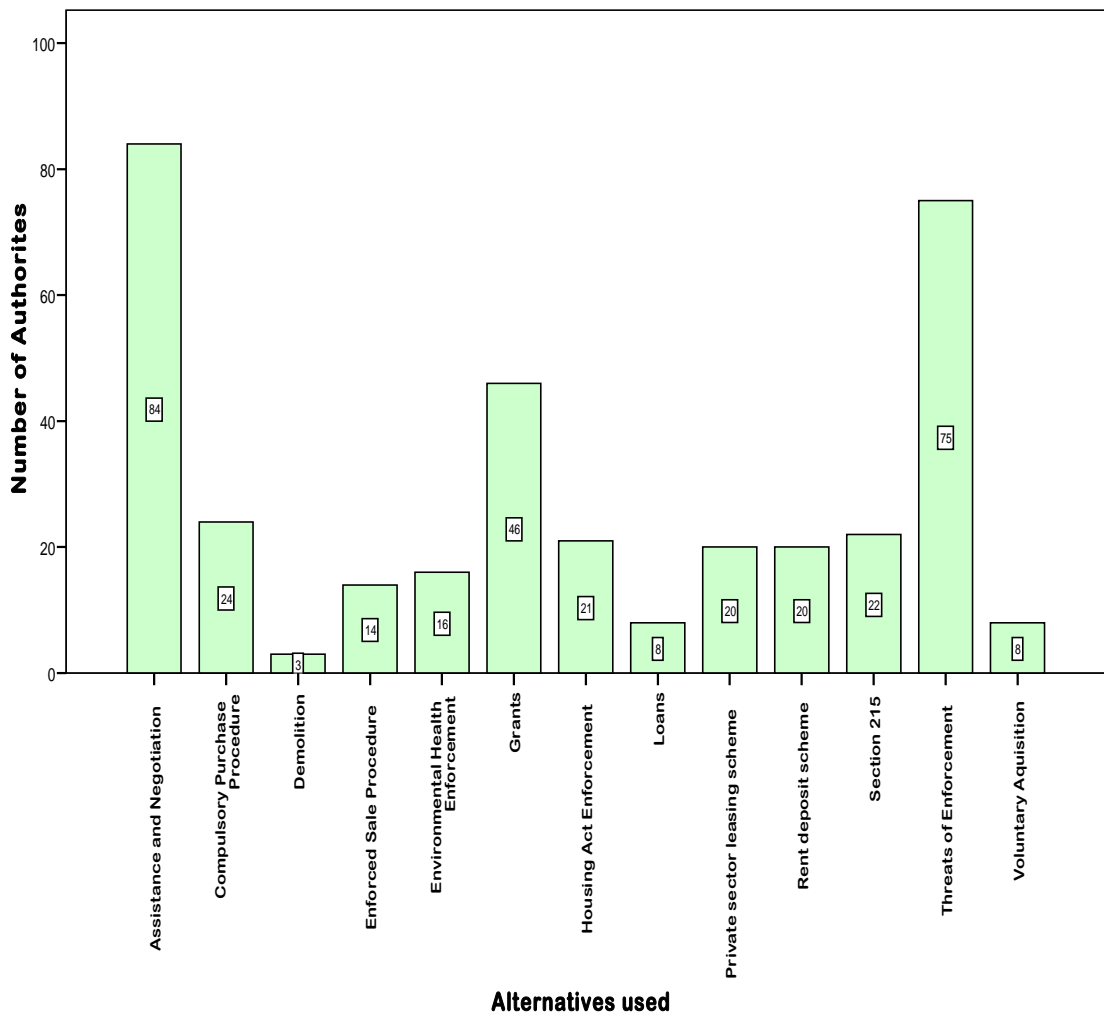
**Statistics**

Properties back in use by other means not EDMO

N	Valid	103
	Missing	24
Mean		111.44
Median		53.00
Mode		0
Std. Deviation		189.585
Sum		11478

This result shows the overall effectiveness of the empty homes policies of the respondents to this survey. Between them the 103 local authorities that answered this question claim to have returned 11,478 empty properties back to use by means other than EDMO. The graph illustrates the geographical spread with the achieving the greatest success being the North West, London and the South East.

**11a) What other methods have been used to return empty dwellings to use?**



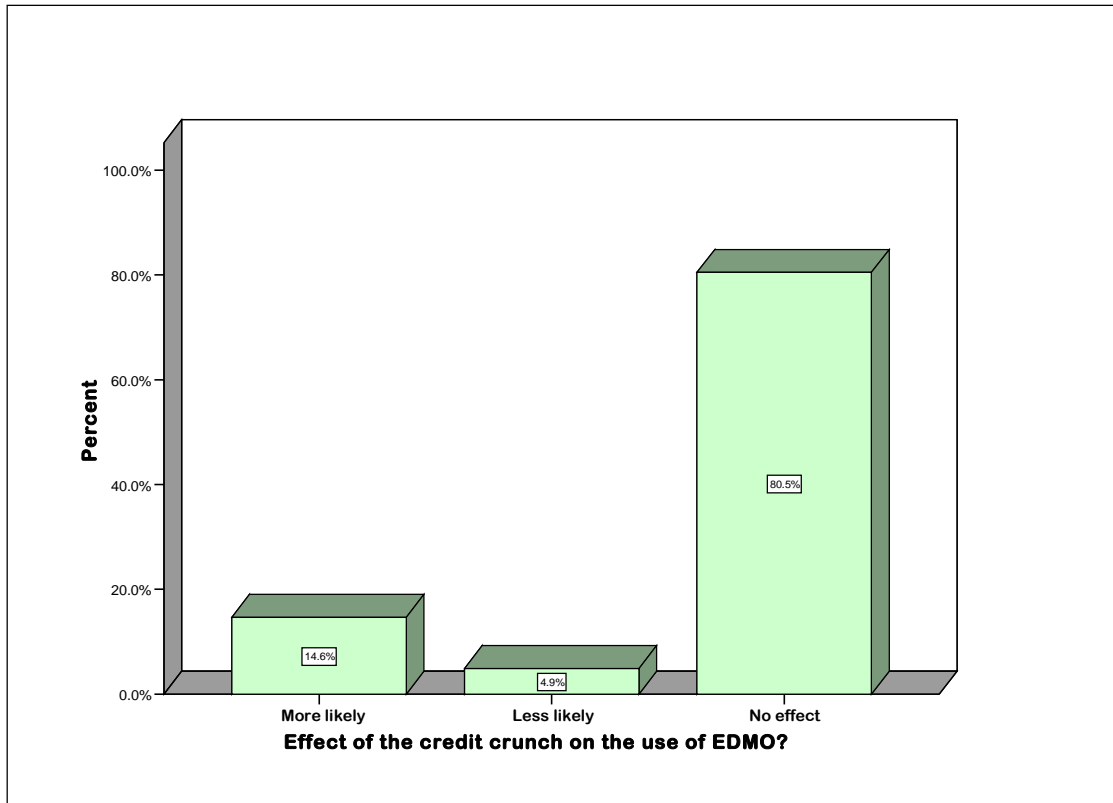
This set of results shows the range of options that are currently used by local authorities as alternatives to EDMO. This response was coded from free text and raised 113 responses. By far the most commonly used methods of returning properties to use are ‘Assistance and Negotiation’ and the ‘Threat of Enforcement’, with a significant number using ‘Grants’.

**11b) Please explain why these alternatives have been used and how effective they are.**

The major reasons for the use of alternatives to EDMO are;

- authorities prefer voluntary options
- other options had been effective, particularly grants and loans
- there was a general lack of funds for EDMO
- crucially, there was a lack of management schemes
- politics is important with decisions on EDMO not lying with the housing officers in some authority areas
- other alternatives were less labour intensive and required no on-going management
- lack of internal support from council colleagues to do EDMO

**Q 12 Has the 'credit crunch' and its effect on property values made or less likely to consider EDMO?**



**Credit crunch effect?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	More likely	18	14.2	14.6	14.6
	Less likely	6	4.7	4.9	19.5
	No effect	99	78.0	80.5	100.0
	Total	123	96.9	100.0	
Missing	System	4	3.1		
Total		127	100.0		

**Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
Credit crunch effect?	123	1	3	2.66	.722
Valid N (listwise)	123				

The vast majority of the 123 authorities that answered this question believed that the credit crunch would have no effect their potential use of EDMO.

18 authorities stated that they would be more likely to consider the use of EDMO and 6 said that they would be less likely to use EDMO.

**12a) Please explain the reason for this.**

Of the authorities that stated that they would be **more likely** to use EDMO as a response to the 'credit crunch', the range of answers was as follows;

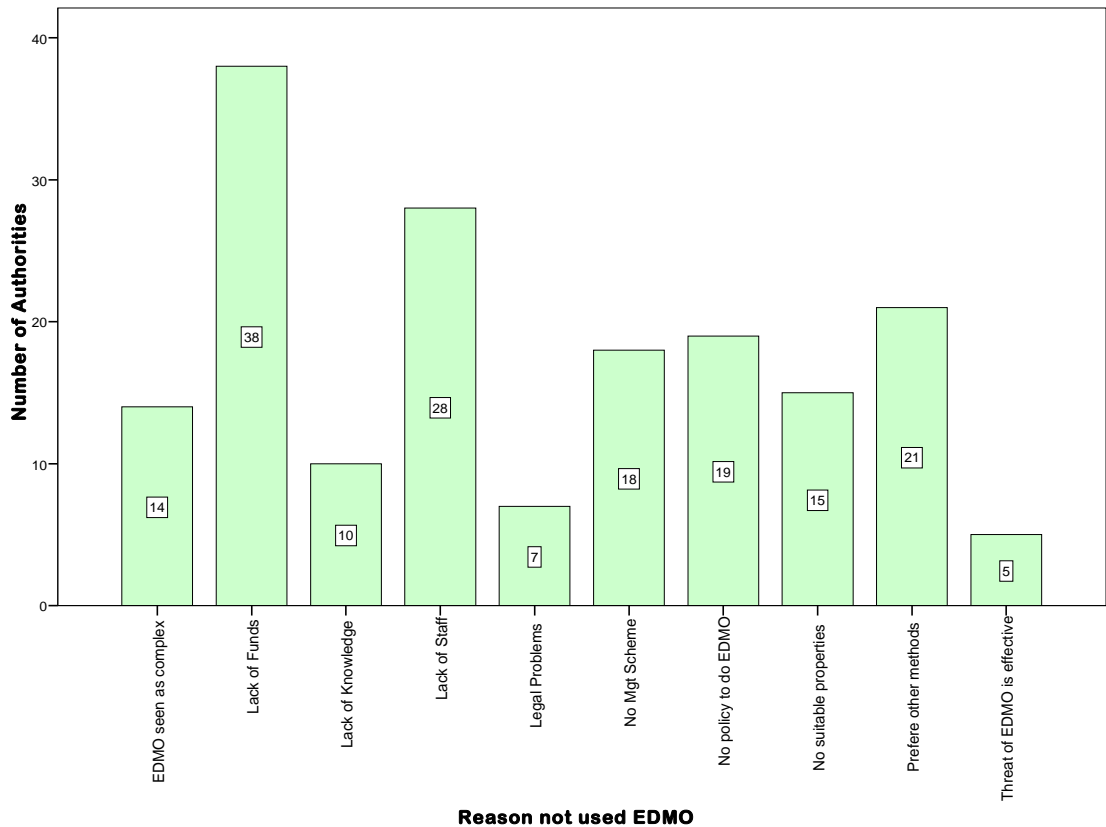
- could be used for new build dwellings (flats) as no work required
- increased numbers of homeless people forcing authorities to explore all options
- increased rental demand
- repossessions suitable for EDMO – good opportunity
- private owners delaying selling in poor market – suitable properties for EDMO – owners reluctant to rent out properties

Of the authorities that stated that they would be **less likely** to use EDMO as a response to the 'credit crunch', the range of answers was as follows;

- lack of local authority funding
- over supply of rental properties already – rental market in some areas unsustainable. Many people do not want full price tenancies meaning demand is for social tenants paying below market rent and therefore authorities cannot recoup full costs – could lead to unacceptable exposure to risk
- renovation costs

Of the authorities stating that the credit crunch would make **no difference** to their use of EDMO, on one authority stated that it would continue using EDMO regardless of market conditions. The other respondents were all negative stating that regardless of the credit crunch, they would not consider EDMO.

**Q 13 If you local authority has not used EDMOs, please explain why.**

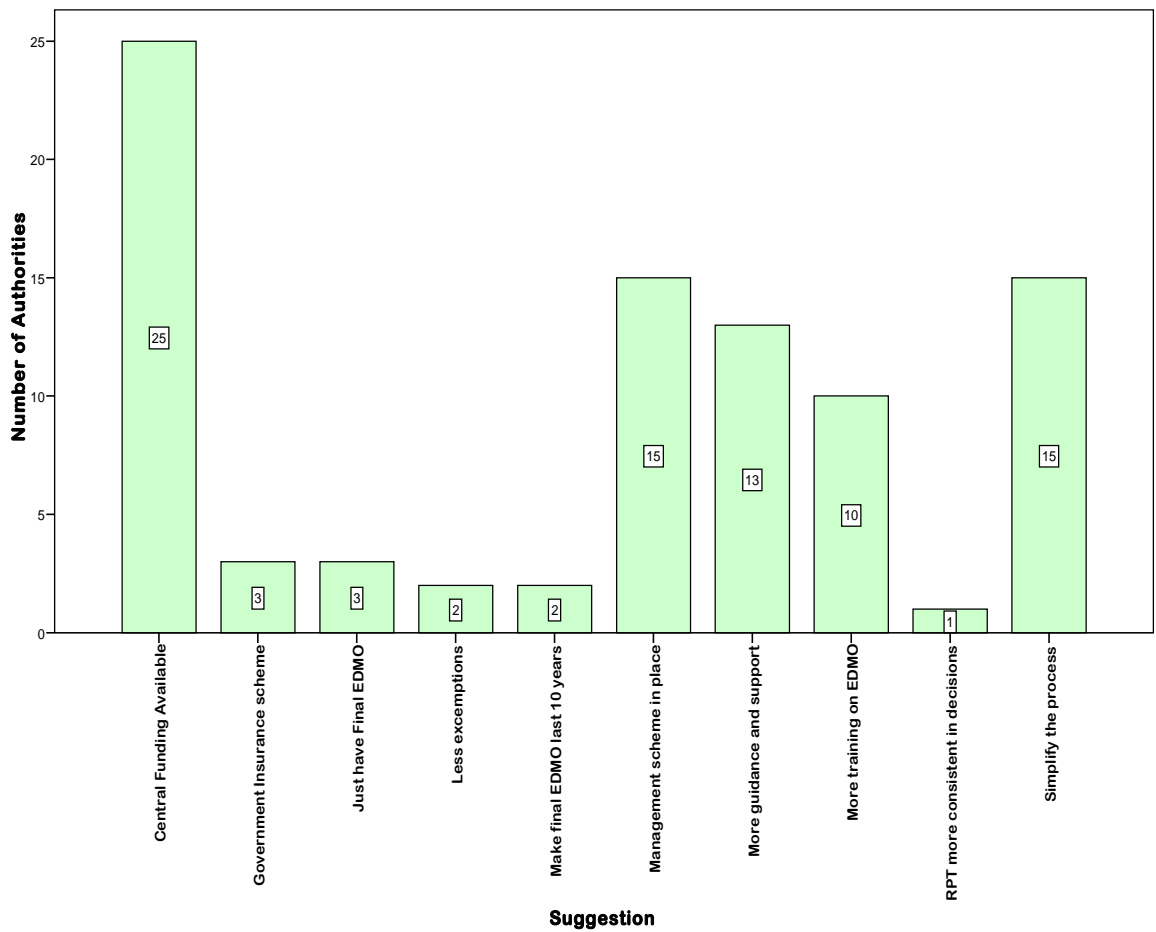


There were 113 respondents to this question.

The result explains the rationale behind authorities' decisions not to use EDMO. The answers were text and have been subject to a thematic analysis.

By far the biggest two recurring themes were lack of funding and lack of staff. Many authorities are waiting to see whether or not EDMO is successful before committing resources. There were valid comments regarding lack of management facilities with most councils having shed their own housing stock and with it their internal housing infra structure. There is a lack of partner housing associations willing to take the risk.

**Q 14 Do you have any suggestions that would enable you to use EDMO more effectively?**



There were 76 replies to this question.

The text answers were subject to a thematic analysis.

By far the most common suggestion was the provision of a centralised fund due to the restrictions on local authority budgets. The provision of a management scheme, a simplification of the process, more guidance and training were also popular themes. It was also suggested that a central insurance scheme should be offered and cooperatives set up between councils to pool expertise and resources.

**Q15 I would welcome any comments about this survey that you would like to make.**

A range of constructive criticism was offered. Many local authorities have requested the results of the survey and it was commented that this research is long overdue. [See Appendix](#)

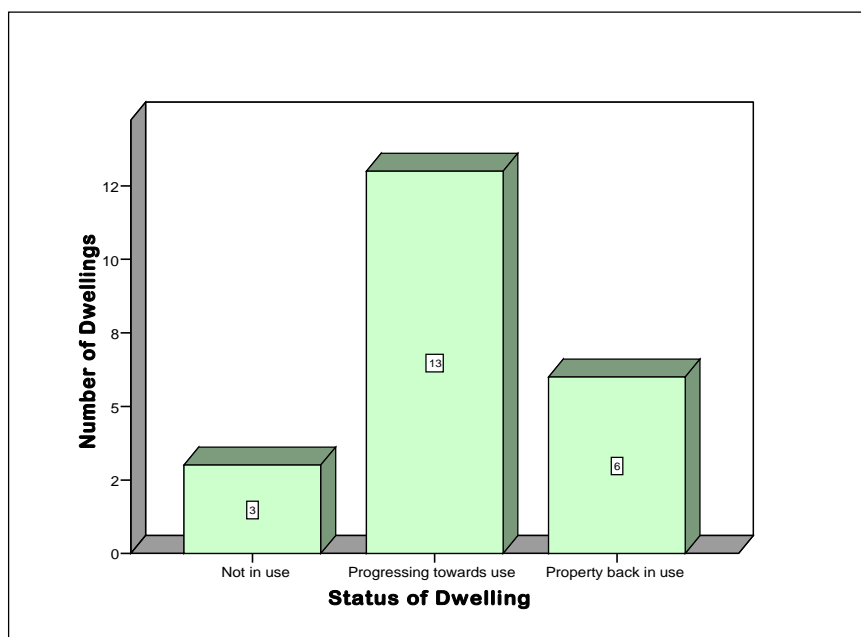
## 10.2 Additional Data Obtained from Secondary Mini Survey

Each of the 22 authorities that were interim EDMOs was contacted to ascertain what had happened to the properties concerned.

This information has not previously been researched.

Out of the 22 interim EDMOs 3 were converted to final EDMO. South Oxfordshire and Swale each have one property subject to a final EDMO. Both properties are tenanted and in management. Peterborough had a property that was subject to a final EDMO; however the order was revoked when the property was sold.

**Status of all properties that have had interim EDMO granted (April 2009)**



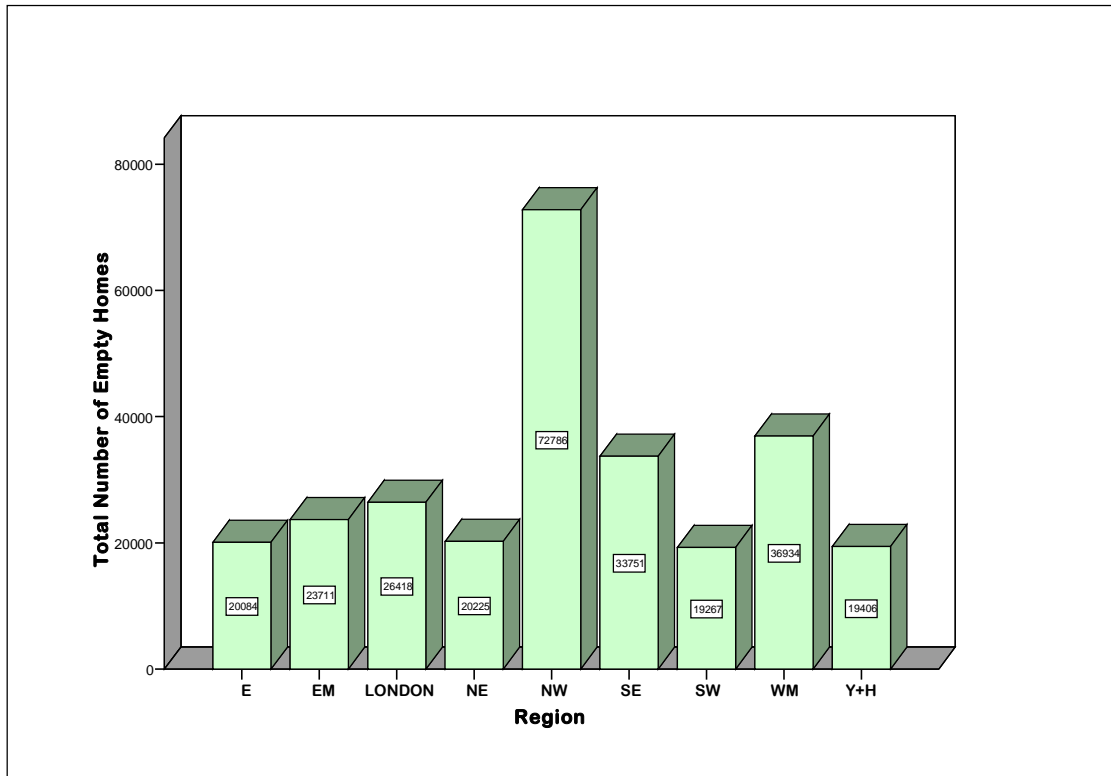
Source of data was telephone survey

Of the 22 interim EDMOs obtained, 19 of the dwellings concerned are either back in use, or progressing towards use. The properties back in use include the two current final EDMOs and the others have been sold to new owners and are occupied.

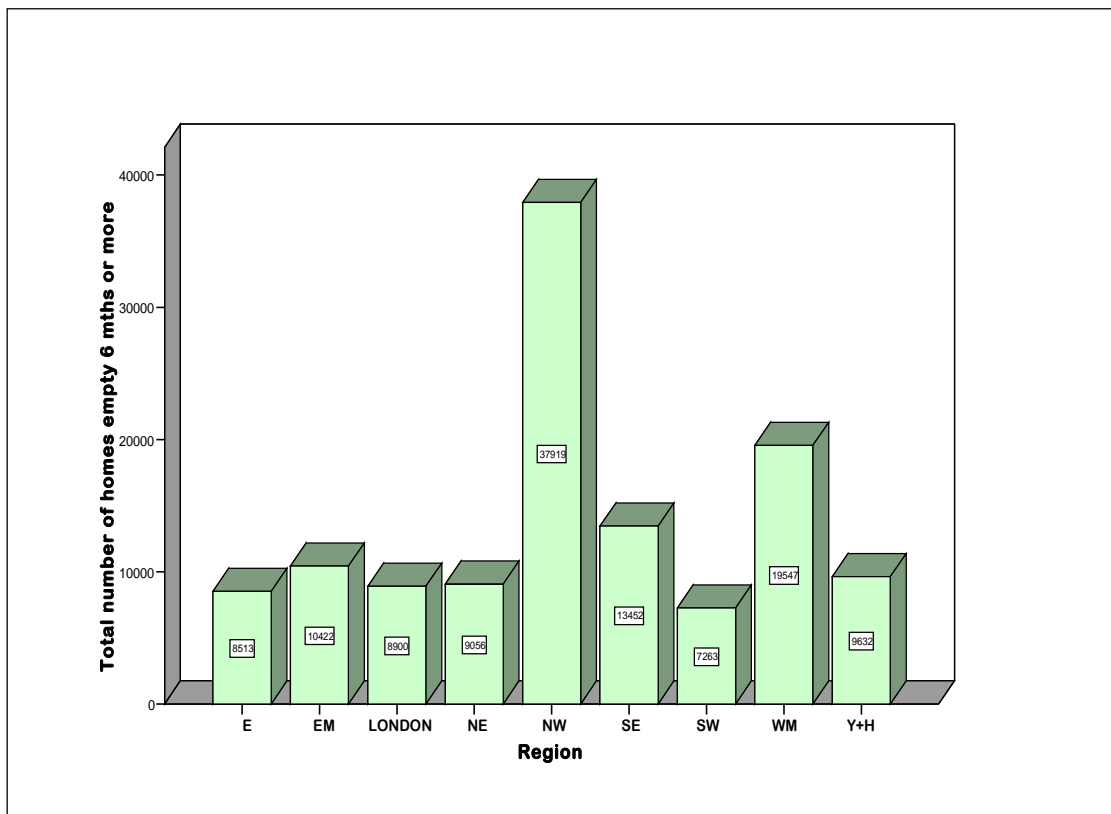
The 3 properties not in use have had the interim EDMO expire after 12 months with no further action from either the property owner or the local authority as yet. The circumstances of the property proved unsuitable for EDMO and the authorities concerned are considering other options.

### 10.3 Additional Information used During Analysis

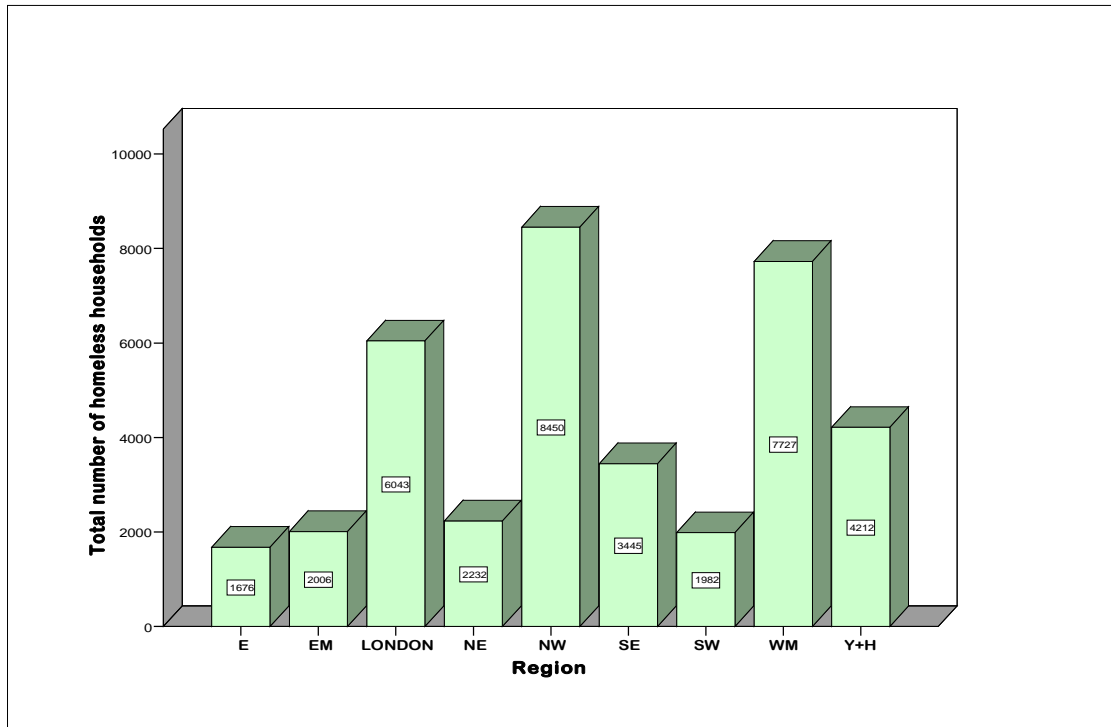
National empty homes statistics (HSSA 2008)



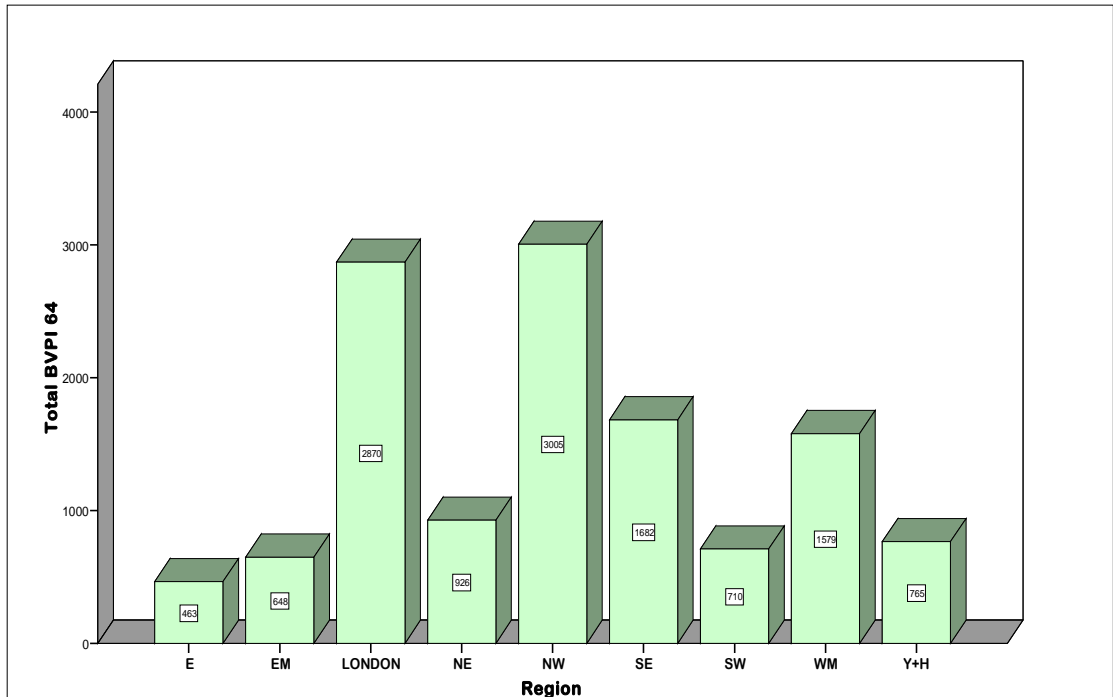
National empty homes (6 months plus) statistics (HSSA 2008)



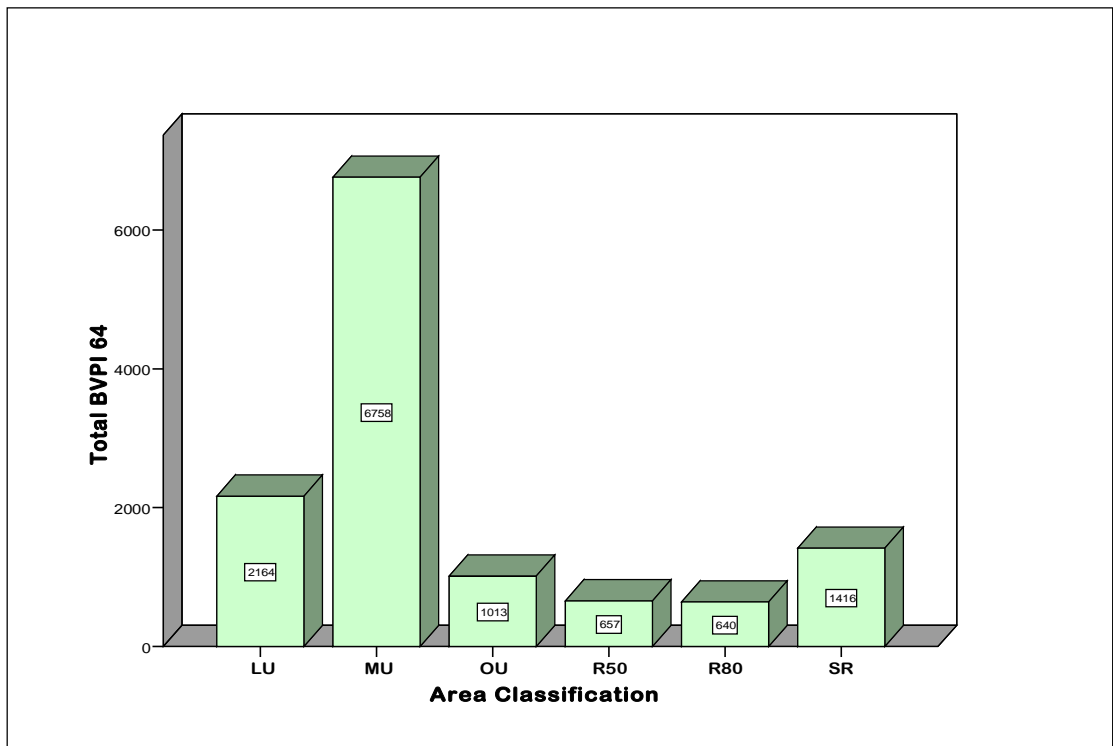
National homeless household statistics (DCLG 2008)



**Total BVPI 64 for survey respondents by region (DCLG 2008)**



**Total BVPI 64 for survey respondents by area classification (DCLG 2008)**



## 10.4 Interpretation

After individual analysis of the survey results in isolation, the responses were viewed and analysed as a whole to ascertain whether there were any correlations, obvious patterns or trends that emerged.

For the purposes of the statistical analysis, fixed level testing will be used with a pre-determined  $\alpha$  value of .05 will be employed.

**Understanding of EDMO? Training in hours for EDMO Cross tabulation**

			Training in hours for EDMO				Total
			None	1-10	11-20	21+	None
Understanding of EDMO?	Agree	Count	26	72	11	2	111
		% of Total	20.5%	56.7%	8.7%	1.6%	87.4%
	Neutral	Count	6	4	0	0	10
		% of Total	4.7%	3.1%	.0%	.0%	7.9%
	Disagree	Count	5	1	0	0	6
		% of Total	3.9%	.8%	.0%	.0%	4.7%
Total	Count	37	77	11	2	127	
	% of Total	29.1%	60.6%	8.7%	1.6%	100.0%	

### Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)	Point Probability
Pearson Chi-Square	15.379 <sup>a</sup>	6	.018	.040		
Likelihood Ratio	15.148	6	.019	.013		
Fisher's Exact Test	13.209			.025		
Linear-by-Linear Association	8.104 <sup>b</sup>	1	.004	.007	.000	.000
N of Valid Cases	127					

a. 8 cells (66.7%) have expected count less than 5. The minimum expected count is .09.

b. The standardized statistic is -2.847.

The Fisher's Exact value of statistical significance shows that as the p value .025 is less than the  $\alpha$  value of .05, then there is a significant relationship between the amount of training in EDMO and the level of understanding.

### Correlations

		BVPI 64	Homes Empty 6 mths or more
BVPI 64	Pearson Correlation	1	.643(**)
	Sig. (2-tailed)		.000
	N	127	127
Homes Empty 6 mths or more	Pearson Correlation	.643(**)	1
	Sig. (2-tailed)	.000	
	N	127	127

\*\* Correlation is significant at the 0.01 level (2-tailed).

This shows a very significant correlation. The higher the area's performance BVPI 64, then the higher the number of empty dwellings for 6 or more months.

### Empty Homes Strategy in place? \* Funding Available? - Cross tabulation

		Funding Available?		Total
		yes	no	yes
Empty Homes Strategy in place?	yes	31	80	111
	no	1	15	16
Total		32	95	127

Only one local authority with no empty homes strategy has funding however 80 councils with a strategy have no funding to run it.

### Funding Available? \* Interim applied for - Cross tabulation

		Interim applied for						Total
		0	1	3	5	8	9	0
Funding Available?	yes	25	3	1	1	1	1	32
	no	93	2	0	0	0	0	95
Total		118	5	1	1	1	1	127

Only 2 of the EDMO applications from the survey respondents came from authorities with no funds, the other 28 applicants all had funding.

**Funding Available? \* Interim obtained - Cross tabulation**

		Interim obtained				Total
		0	1	5	7	0
Funding Available?	yes	27	3	1	1	32
	no	95	0	0	0	95
Total		122	3	1	1	127

No council without funding successfully applied for an interim EDMO.

**Dedicated Role or Part of Other Duties? \* Interim applied for - Cross tabulation**

		Interim applied for						Total
		0	1	3	5	8	9	0
Dedicated Role or Part of Other Duties?	Dedicated Role	38	1	0	1	1	1	42
	Part of other duties	80	4	1	0	0	0	85
Total		118	5	1	1	1	1	127

Only 5 interim EDMOs were applied for by officers whose role formed part of other duties. All of the other applications by the respondents were made by those in dedicated positions.

**Dedicated Role or Part of Other Duties? \* Interim obtained - Cross tabulation**

		Interim obtained				Total
		0	1	5	7	0
Dedicated Role or Part of Other Duties?	Dedicated Role	39	1	1	1	42
	Part of other duties	83	2	0	0	85
Total		122	3	1	1	127

Only 2 interim EDMOs were obtained by officers whose role formed part of other duties. All of the other applications by the respondents were made by those in dedicated positions.

The main trends that have come out of the survey are

- EDMO is used more frequently than the figures for its use suggest. EDMO has been threatened 1905 times by the survey respondents and has been responsible for 444 homes returning to use.
- Half of the respondents did not use EDMO even as a threat.
- The research highlights that of the 22 interim EDMOs obtained, 18 of the dwellings are back in use or progressing back to use.
- Of the 22 interim EDMOs, 3 have been converted to final EDMO, one was revoked by the local authority and a fourth was successfully appealed. All 4 properties are now back in use
- There is no standardised approach to empty dwelling management in local authorities
- The areas with the highest levels of empty dwellings tend to be the areas with the most homeless people. These areas also tend to have the most active empty homes departments, both in terms of use of EDMO and in BVPI 64 performance.
- Other means (non EDMO) of returning properties to use are effective, with 11,478 returned to use since 2006 by the respondents to the survey
- None of the respondents from the Yorkshire and Humberside area have used EDMO, including as a threat, despite having a sizeable homeless population.
- Despite only having obtained one EDMO, the North West region has progressed 392 dwellings towards use or back into use through the use or threat of EDMO. The NW has threatened EDMO 728 times.

EDMO is not used due to the following predominant reasons

- Funding is *the* major issue effecting the use of EDMO with three quarters of respondents to the survey having no funding available.
- EDMO is viewed as by many as being too complex. This potentially could be due to the hugely variable amount of training dedicated not only to EDMO, but empty dwellings per se.
- Most authorities cite lack of staff and resources as a major factor
- There appears to be a lack of knowledge of EDMO and certain misconceptions about its use. For example, one respondent stated that that permission was required from the owner to obtain an interim EDMO; this is not the case as the legislation is designed to deal with non cooperating owners. Again this could be a training issue.
- The lack of a viable management scheme was a recurring theme and councils repeatedly reported that local housing associations would not assist them with management due to perceived risks.

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**Chapter 11**  
**Conclusions**

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## **11.0 Conclusions**

The purpose of this dissertation was to review the use of the Empty Dwelling Management Order (EDMO) to date. During the writing of this study, previously unpublished information regarding the use of and attitudes towards the Empty Dwelling Management Order (EDMO) within local authorities throughout England was obtained.

The issues surrounding the need for action on empty homes and how the EDMO was conceived and implemented were explored by conducting a literature review.

Qualitative and quantitative information regarding the utilisation of, and attitudes towards EDMO was gathered through a nationwide survey and three small case studies. A further telephone survey to investigate the progress of all properties that had been subject to interim EDMOs was carried out.

England has a large problem with empty dwellings. There are currently 697,055 empty dwellings in England alone with 8 out of 10 empty dwellings being privately owned. The number of empty dwellings is persistently high and rising at the fastest rate for 17 years. Paradoxically, in 2008 there were 94,530 homeless households in England; the worst effected areas being London and the North West.

Local authorities have a social duty to deal with empty dwellings and a legal duty to deal with much of the associated blight. Historically they have had several strategies at their disposal. It became clear during the review that local authorities pursued different tactics in dealing with empty dwellings.

The research illustrates how there was a gap in the legislation and explains how EDMO came into being, how it was implemented and highlights a number of milestones. The study also highlights the controversial nature of the EDMO.

During the review, it became clear that the figure of 17 interim EDMOs to date referred to in many recent press publications was inaccurate, the actual figure being 22.

- EDMO is used more frequently than the figures for its use suggest.
- Where it used, EDMO is proving to be effective.
- The threat of EDMO is also proving to be effective.
- There is a great deal of negativity about the use of EDMO, with up to 50% of councils not even considering its use as a threat.
- Current empty homes strategies are not performing adequately to reduce the number of empty dwellings
- There are a number of fundamental reasons why many local authorities do not use EDMOs
  - i) lack of funding
  - ii) staff shortage
  - iii) no management scheme – most councils have no infrastructure remaining for dealing with housing and struggle to find management partners.
  - iv) complexity of legislation and lack of knowledge, which could be one and the same.
  - v) councils are spending public money. With other methods being proven and successful, there is little incentive to take risks for which the departments may be accountable.
  - vi) frequently, due to politics, there is no support at committee level for EDMO.
- The importance of training is borne out by the statistically proven relationship between training in hours in EDMO and the understanding held of EDMO

From the outset, the study sought to prove or disprove the hypothesis;

**‘The true effectiveness of Empty Dwelling Management Orders in returning empty dwellings back to use is far greater than the headline figures suggest.’**

This dissertation has shown that EDMO is more widely used and effective than figures suggest and that the hypothesis has been proven. It is the EDMOs use as a threat that is proving its greatest success.

EDMO is a viable piece of legislation. However, its effectiveness and popularity has been stifled by a number of issues that will be addressed in the recommendations to follow.

### **11.1 Limitations**

A limitation to this research is that the survey response was 35.8%. Although this is a representative sample, huge variations between councils and areas mean that the results obtained would be difficult to accurately extrapolate to gain a national picture.

A limitation of the survey was that certain questions particularly 11b seem to have been misunderstood by some respondents.

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## Recommendations

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## 12.0 Recommendations

The single most striking factor that has recurred throughout this research is lack of funding, and the related issue of staffing. Local authorities are more accountable than ever and cannot afford to take risks with their allocated budget, however small.

On-going management of properties is also of central concern and there appears to be a general lack of knowledge of EDMO.

There are 6 key recommendations that would be likely to drastically increase the use the EDMO:

- 1 The provision of a central government fund, from which the local authorities could draw to carry out repair works. This would give local authorities the confidence to undertake improvement works and would bypass their own budgetary constraints. This could potentially be run along similar lines to the student loan system, whereby central government could recover funds from not only rent and charges on the premises, but also from the owners of the property through the income tax system.
- 2 There needs to be a nationally standardised approach in dealing with empty dwellings. Properties and their associated problems could be risk assessed and given a score. This score would lead to a given course of action. Such a system would be fair and lead to a consistent and transparent approach, allowing for the gathering of statistical information about the empty housing stock. (See appendix 8 for an example – courtesy of Wirral MBC)

Consideration should be given to nationally standardised paperwork and procedures with availability of worked examples.

- 3 EDMO requires management to be in place. As most local authorities have had to dispose of their housing stock to housing associations, they

no longer have the ability to offer management services. A national or regional property management service is needed before EDMO legislation can become fully and universally operational. Alternatively, housing associations should be legally required to accept properties for management; they have after all benefited from the stock transfers from the councils in the past when it suited them to do so.

- 4 Training is definitely an issue. Even amongst councils that professed to have an understanding of EDMO, there were worrying holes in the knowledge demonstrated in the survey replies. Inconceivably, over 15 % of respondents to the survey, all of whom were empty homes officers, had never received training in the management of empty homes. 29.1% had not had training in EDMO. There is a statistical link between training in hours and the understanding of EDMO. Training in EDMO and issues surrounding empty dwellings must become part of a system of continued professional development where recognised training is given if the empty housing stock is ever going to be effectively managed and reduced in size. It would be an option to train regional specialists to deal with EDMO. These experts could take referrals from local authorities and would prepare the cases for presentation to the RPT, thus removing the fear factor that local officials will feel when stepping outside their 'comfort zone'.
- 5 EDMO needs to be de-politicised so that it is more acceptable across the political divides. EDMO needs to be portrayed as targeting 'bad' owners and as being an instrument of 'good', instead of a means of government interference with ownership rights. Local housing officers should be able to operate with political impartiality, taking the correct and holistic approach to an empty dwelling without having to seek approval from council committees with political agendas.
- 6 Consideration should be given to encouraging the use of EDMO on new build properties where the refurbishment costs will be lower, maintenance will be simpler and the properties will be more attractive to external management partners.

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## Further Research

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## 13.0 Further Research

Areas of interest for further investigation and research that emerged during this dissertation.

- Carry out a calculation of the true cost of an empty dwelling by taking a multi agency approach to assess what an empty dwelling actually costs society at large.
  
- Conduct a feasibility study on the implementation of a regional or national management service to deal with premises subject of an EDMO.
  
- Conduct a feasibility study into the provision of a central government fund for local authorities to draw from for EDMO.

## **Selection of comments made by respondents about the survey**

*“I feel the survey is overdue and believe that it will show a wide range of regional and local variations”*

*“Well done”*

*“I hope that the results will be made widely available and think that it is a very interesting study”*

*“I feel this survey is relevant and timely as we seem to see the rise in empty properties”*

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