

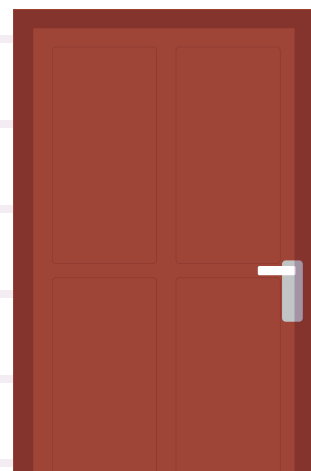
Empty Property Advice from
Caerphilly County Borough Council



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Mae'r ddogfen hon ar gael yn Gymraeg, ac mewn ieithoedd a fformatau eraill ar gais.
This document is available in Welsh, and in other languages and formats on request.



Introduction

Empty properties represent a wasted resource, financial expense and in many cases a missed opportunity to provide much needed affordable housing. Not only are they a waste of a valuable housing resource but they can cause blight to communities and distress to residents affected by their unsightly appearance and tendency to attract crime, vandals, squatters, unauthorised occupiers, and anti-social behaviour. In addition to this, they can devalue neighbouring properties and represent a huge cost to the Council, Police, Fire Authority, and Community Safety Partnerships due to the time and resources spent in dealing with the problems that they create.

Caerphilly County Borough Council is committed to working with empty property owners and prospective owners to encourage them to bring their properties back into use and where possible, prevent properties from becoming empty in the first instance.

There are several initiatives available to help owners bring their empty property back into use and this pack is intended to give you an overview of what assistance is available.

However, if an owner is uncooperative or obstructive then the Council will consider using the wide range of formal enforcement action available to bring the property back into use.

Formal enforcement action is always a last resort, but the Council believes that leaving properties stand empty for long periods when there is a shortage of affordable housing in the County Borough is not acceptable.

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There are several initiatives available to help owners bring their empty property back into use...



Renovating your empty property

Loans are available from £1,000 to £35,000 per property

Empty property owners wishing to bring their property to an acceptable living standard can benefit from a wide range of financial support including grants and interest-free loans. Below is a brief overview of the options available.

LANDLORD LOANS

These are interest-free loans available to both landlords and prospective landlords to help them bring an empty property back into use or for eligible works to privately rented homes.

Who Can Apply?

Private landlords with properties in the Caerphilly County Borough may apply for landlord loans.

How Much Can I borrow?

Loans are available from £1,000 to £35,000 per property, for up to 10 properties to a maximum value of £250,000 per applicant.

Please note: administration fees will apply.

Maximum loan periods

- 2 years if the intention is to resell the property from issuing the loan
- 5 years if the intention is to rent the property from issuing the loan
- 10 years if the intention is to rent the property at Local Housing Allowance (LHA) rates from issuing the loan, with a 10-year commitment for local authority tenant nomination rights

Terms and conditions apply.

For further information on the Landlord Loan please contact private sector housing on 01443 811378 or email privatesectorhousing@caerphilly.gov.uk

OWNER-OCCUPIER LOANS

These are interest-free loans available to owner-occupiers and prospective owner-occupiers to carry out essential property improvements / or works to make homes safe, warm, and secure. This includes owners of empty properties that are looking to occupy the property themselves when the work is completed.

The loan will cover a wide range of eligible works. For example:

- Replacement of roof or removal of defective chimneys
- Electrical upgrades and fire safety measures
- Drainage works
- Replacement of defective w
bathrooms, and kitchens
- Heating and energy efficien
- Damp proofing works
- Renewing defective elemen

Who can apply?

Eligible homeowners or prospective homeowners who own an empty property within the Borough may be eligible to apply for an owner-occupier loan providing they reside at the property once the necessary works have been completed for the term of the loan.

How much could I borrow?

Loans are available from £1,000 to £35,000, with a maximum loan period of 10 years.

The home improvement loan application will only be progressed if the credit union assessment is deemed affordable. We are unable to challenge or overturn any decision made by the Credit Union.

All applications for the owner-occupier loans will be referred to the credit union for assessment. Administration fees will apply. Terms and conditions apply.

For further information on the Owner Occupier Loans please contact private sector housing on 01443 811378 or email privatesectorhousing@caerphilly.gov.uk

FIRST TIME BUYERS

First Time Buyers might be eligible for a Home Repair Grant. This is small-scale financial assistance to help fund essential repairs deemed necessary by the Council. Typical works covered by this grant are replacement doors and windows, roof repairs and replacement heating systems.



**First Time Buyers
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Repair Grant.**

A 100% grant is awarded subject to maximum assistance of £10,000.

Who can apply?

For empty homes these grants are limited to:

- Properties more than 10 years old
- Properties in council tax bands A-D
- Applicants in receipt of Income Support, Guaranteed Pension Credit, Housing Benefit, Income-based Job Seekers Allowance, Employment and Support Allowance (income-related) or can demonstrate a nil contribution using the council's means test
- Applicants who are first-time buyers

How much financial grant will I receive?

A 100% grant is awarded subject to maximum assistance of £10,000. Post-grant conditions of 10 years of occupation will apply.

For further information on the Home Repairs Grant please contact private sector housing on 01443 811378 or email privatesectorhousing@caerphilly.gov.uk

CONVERSION GRANTS

Conversion grants are offered at the discretion of the council and are available to empty property owners for the provision of self-contained accommodation by conversion of:

- Non-domestic accommodation to domestic accommodation
- Domestic accommodation to smaller units of domestic accommodation
- Mixed-use accommodation to domestic use
- Conversion of Housing in Multiple Occupation to self-contained accommodation

Conversion grants are only available where the council considers the proposal to be appropriate to meet the housing and general needs of an area.

How much grant funding will I receive?

These grants are subject to a 50% contribution from the landlord, and a maximum grant of £15,000 per unit of accommodation provided.

For owner-occupiers, contributions are based on a means test and grants are subject to a maximum grant of £15,000 per unit of accommodation provided.

All applicants must comply with grant conditions for ten years following completion of the grant-aided works.

For further information on the Conversion Grants please contact private sector housing on 01443 811378 or email privatesectorhousing@caerphilly.gov.uk

VAT DISCOUNTS

Renovations and alterations to residential properties that have been empty for at least 2 years (10 years if non-residential) are eligible for a reduced VAT rate of 5%. This applies to labour and materials associated with repairs, alterations, construction of associated garages, and hard landscaping. Working with a VAT registered builder may significantly reduce the cost of bringing your empty property back into use.

A developer or homeowner can claim back all VAT charged on the renovation of a building that has been empty for 10 years or more once the dwelling is sold.

Reduced rates of VAT also apply to numerous types of building works, such as installing energy efficiency or energy-saving measures, adapting a building for a disabled person, or works to convert a non-residential building into a home. These discounts may apply to works to bring an empty property back into use.



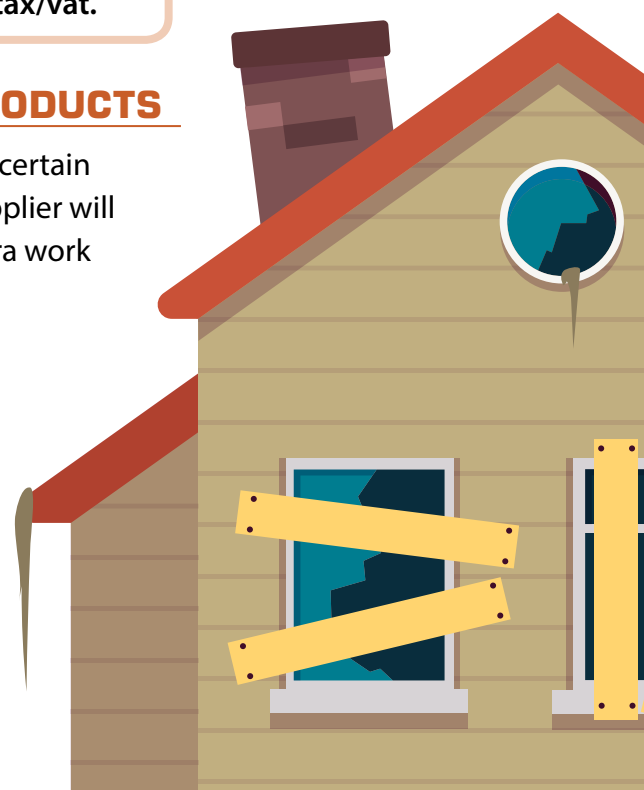
Reduced rates of VAT also apply to numerous types of building works

Further information on this reduced rate can be found in Section 8 of Public Notice 708 - VAT: Buildings and Construction, available from the National Advice Service on 0845 0109000 or from HM Revenue & Customs at www.gov.uk/business-tax/vat.

VAT DISCOUNTS ON ENERGY-SAVING PRODUCTS

If you're eligible, you'll pay a reduced rate of VAT (5%) when certain energy-saving products are installed in your home. Your supplier will charge you the reduced rate on the installation and any extra work that is part of it.

Not all products or installations qualify for the reduced rate, and you cannot buy or install them yourself.



Certain renovation work may require Planning Permission or Building Regulation Approval.

Eligibility

To qualify for the reduced rate, you must be over 60 or getting one or more of the following:

- Child Tax Credit (but not the family element)
- Council Tax Benefit
- Disability Living Allowance
- Personal Independence Payment
- A disablement pension
- Housing Benefit
- Jobseeker's Allowance (income-based)
- Income Support
- War Disablement Pension
- Working Tax Credit

You will also be eligible to get the reduced rate on the products if the total cost of them (not including VAT) is not over 60% of the cost of the installation of the products (not including VAT).

If your products cost more than 60% of the installation, you'll only be entitled to the reduced rate on the installation. Your supplier will be responsible for charging you the correct rate of VAT.

Example: The installer is charged £400 (excluding VAT) for insulation material and charges you £1,000 (excluding VAT) for the installation. As the value of the materials (the insulation) is only 40% of the total cost to you for both the materials and installation, the installer can charge the reduced VAT rate of 5% on the total cost as 5% of £1,000 is £50.

Example: The installer is charged £3,500 for solar panels and battery (excluding VAT) and charges you £5,385 (excluding VAT) for the installation. As the value of the materials (the solar panels and the battery) is 65% of the total cost to you for both the materials and installation, it is over the 60% threshold. This means the installer will need to charge VAT for the solar panel and battery at the standard rate and the installation will qualify for the reduced rate of 5%.

Further information on this reduced rate can be found in Section 8 of Public Notice 708 – VAT: Buildings and Construction, available from the National Advice Service on 0845 0109000 or from HM Revenue & Customs at www.gov.uk/business-tax/vat.

COMPLYING WITH REGULATORY REQUIREMENTS

Certain renovation work may require Planning Permission or Building Regulation Approval. It's important that empty property owners establish the requirement before starting any work.

For more information and to establish if planning and/or Building Control Approval is required please visit www.planningportal.co.uk/wales_en/

To make an application or for more information please visit the Caerphilly CBC Building Control and Planning Department website at www.caerphilly.gov.uk/Services/Planning-and-building-control

LISTED BUILDINGS & LISTED BUILDING CONSENT

A 'listed building' is a building, object or structure that has been judged to be of national, local, historical, or architectural interest. There are three different levels of listing for a building: Grade I, Grade II* and Grade II. All listed buildings are viewed the same and are treated equally in the planning system. Listing a building gives it legal protection, so that it can be preserved for future generations to enjoy. Conducting works on a listed building without prior consent can be detrimental to the building and can lead to prosecution.

If your house is a listed building, in addition to planning permission and building regulation approval, you will need to apply for listed building consent. Listed building consent is needed to alter, extend or totally or partially demolish a listed building and/or other objects or structures and buildings within the grounds of a listed building that were built before 1st July 1948. It also applied to works undertaken to the interior of a building.

Listed building consent is for example, needed to:

- Replace doors and windows
- Re-roof a building
- Replace chimney pots
- Replace rainwater goods (e.g. guttering and pipework)
- Re-point the whole building
- Render or re-render
- Paint or re-paint render, stone, brickwork, and external joinery
- Carry out internal structural works including removing walls and partitions, making new doorways, or blocking up (or unblock) doors/windows
- Carry out any works to staircases, fireplaces, chimney breasts or other structural/decorative elements

It is a criminal offence to carry out works to listed buildings without consent even if you did not know that the building was listed. Carrying out unauthorised work is punishable by a fine or a prison sentence and we can require you to restore the building to its original state.



If your house is a listed building, you will need to apply for listed building consent.

HERITAGE FUNDING DIRECTORY

The Heritage Funding Directory is a free guide to financial support for anyone undertaking UK-related heritage projects. This is a useful starting point for navigating funding sources in the sector and it is recommended that you visit the funder's website directly to explore the latest information.

For full details about the range of grants available, please visit www.heritagefundingdirectoryuk.org

For more information on Listed Buildings, Listed Building Consent or Heritage Funding, please contact the Placemaking and Building Conservation Officer on 07850 916859 or email mcglyd@caerphilly.gov.uk

One of the quickest and easier ways of dealing with your empty property is to sell the property.

Selling your empty property

One of the quickest and easier ways of dealing with your empty property is to sell the property. The housing market is currently very strong which makes it the perfect option for an owner who has no interest in bringing the property back into use themselves.

EMPTY PROPERTY INVESTORS

The Council holds a list of empty property developers and investors who are interested in purchasing empty properties within Caerphilly Borough to bring them back into use. This list can be used by empty property owners within the borough who are interested in selling their properties to a developer. This is often a quicker way to sell your property and is normally hassle free and avoids any agency fees.

The developers have not been vetted and the offer to be placed on the list is open to everyone. The empty property owner will need to contact the developers directly and any negotiation or agreements will be made between both parties independently of the council. The empty property owner will be responsible for ensuring they obtain a fair price and for the conveyancing. It is recommended that you seek legal advice and obtain an independent valuation of your property when negotiating and agreeing the terms of sale.

If you wish to discuss this in further detail please contact private sector housing to discuss your intentions for the property on 01443 811378 or email privatesectorhousing@caerphilly.gov.uk

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Selling through Auction

Property auctions are increasing in popularity and can often be a quick and effective way of disposing of a property, including those that are considered difficult to sell and often results in a good price being achieved for dilapidated or unusual properties. They are typically a quicker means of selling a property than via an estate agent as the property is generally listed for the auction within 1 month and completion of the sale takes place within 20-30 days of the auction. Demand from multiple buyers can quickly drive up the price of the property, or you may even receive an offer for the property prior to the auction, which if you choose to accept, will avoid the need to go to auction.

We have engaged with local auction companies to offer an exclusive and discounted package for empty property owners looking to sell the property through Auction. The discounted package may include no upfront cost, no sale no fee benefit and a discounted sellers' fee. This is only available with a referral from Caerphilly Borough County Council Empty Property Officer.



We have engaged with local auction companies to offer an exclusive and discounted package for empty property owners...

If you wish to discuss this in further detail, please contact private sector housing to discuss your intentions for the property on 01443 811378 or email privatesectorhousing@caerphilly.gov.uk

SELLING THROUGH ESTATE AGENTS

Selling your property through an estate agent is likely to be easier than selling it yourself if you have no previous experience, however, it will cost more. Estate agents will value, market and sell your property, arrange viewings, negotiate a price, liaise with your solicitor and deal with the paperwork. You can expect to pay an estate agent between 0.75% and 3.0% of the selling price plus VAT, so it is advisable to shop around first for the best offer. To find a local estate agent, visit www.naea.co.uk/find-agent

We have engaged with local estate agents to offer an exclusive special offer for empty property owners looking to sell the property through them. This is only available with a referral from Caerphilly Borough County Council Empty Property Officer. For a list of these special offers please contact private sector housing to discuss your intentions for the property on 01443 811378 or email privatesectorhousing@caerphilly.gov.uk



Renting your empty property

It's not a secret that there is a shortage of suitable good quality rented accommodation within Caerphilly County Borough. If you are interested in renting your property, there is a wide range of information and support we can offer you and we will be able to point you in the right direction.

The table below shows a conservative approximate potential income that you could have earned over the period that your property has been empty:

If you are interested in renting your property, there is a wide range of information and support we can offer you...

Potential income based on number of years empty (based on Local Housing Allowance from April 21 - March 22)					
	1 year	2 years	3 years	4 years	5 years
2 Bed	£5,385	£10,770	£16,155	£21,540	£26,925
3 Bed	£5,624	£11,248	£16,872	£22,497	£28,121
	6 years	7 years	8 years	9 years	10 years
2 Bed	£32,310	£37,695	£43,080	£48,466	£53,851
3 Bed	£33,745	£39,370	£44,994	£50,618	£56,243

LANDLORD ADVICE

Renting your property can provide a means of additional income, improve the condition of the property and reduce the likelihood of vandalism and crime that empty properties often attract. If you are thinking of renting your property, the Council can offer you advice on becoming a landlord, including:

- Responsibilities and obligations
- Landlord and tenant law
- Tenancy agreements
- Tenant finding
- Tenancy support
- The local housing market and rental incomes
- Supply and demand
- Future opportunities
- Rent Smart Wales
- Landlord forums and newsletter



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CAERPHILLY KEYS PRIVATE RENTAL HOUSING SOLUTION

Caerphilly Keys is a project led by our Housing Solutions team which helps private landlords find long-term tenants for their properties, whilst also preventing homelessness.

Benefits of the scheme:

- Caerphilly Keys co-ordinates the tenancy through engagement with landlords
- The service is free of charge
- A large caseload of people ready to move into homes
- All viewings arranged by Caerphilly Keys
- Quarterly monitoring visits
- Caerphilly Keys acts as the main point of contact for both tenant and landlord providing ongoing support to both

For more information visit www.caerphillykeys.co.uk
or contact the Caerphilly Keys team on 01443 873564.
Email keys@caerphilly.gov.uk

RENT SMART WALES

The Housing Act (Wales) 2014 introduced a requirement for landlords to be registered, and for agents and self-managing landlords who let and manage properties to undertake training and obtain a licence. This requirement is governed by Rent Smart Wales, which aims to drive up standards in the private rented sector to protect tenants and support good landlords and agents.

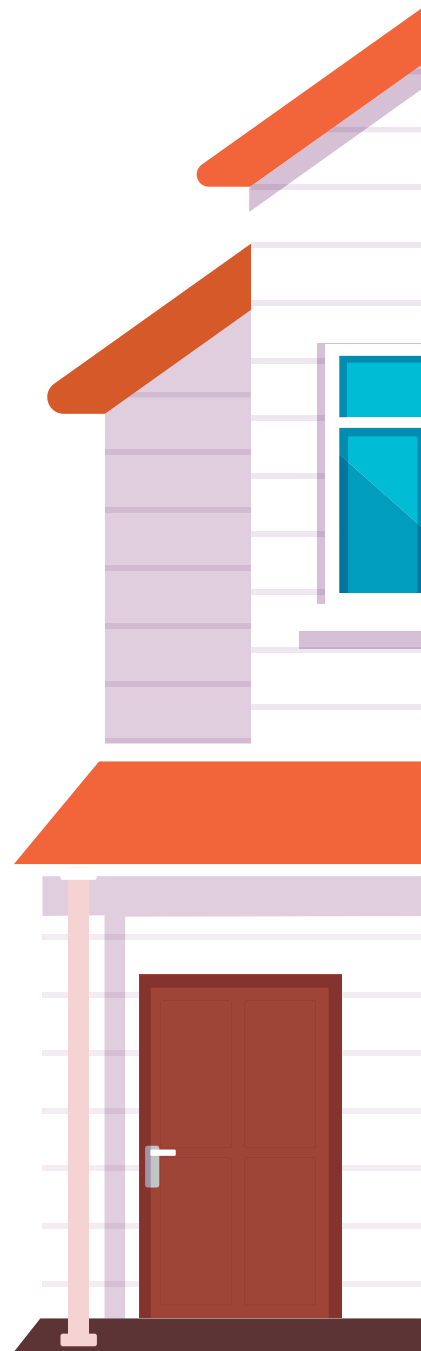
All private landlords are required to register themselves and their properties. If a landlord wants to manage the property themselves, they must also be licenced, demonstrate that they are 'fit and proper' to hold a licence and successfully complete approved training. Alternatively, a landlord can appoint a licensed agent to manage their property on their behalf.

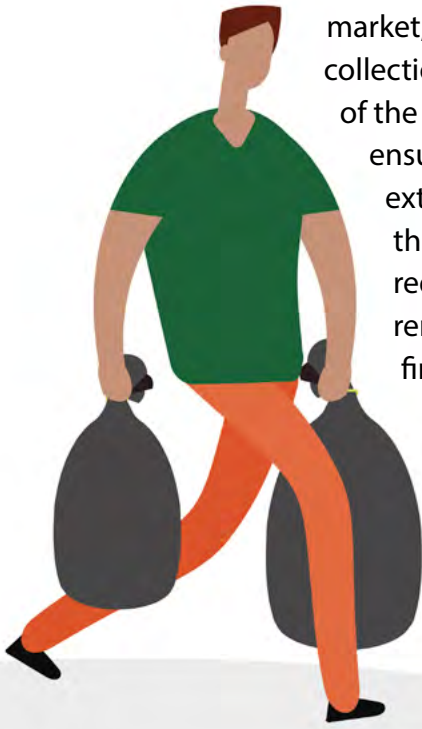
For more information on the requirements of Rent Smart Wales, to register, apply for a licence or to book a training course, visit www.rentsmart.gov.wales or contact 03000 133 344.

LETTING AGENTS

The advantages of letting your property through a letting agent include effective advertising of your property, knowledge of the local housing

**Caerphilly Keys
helps private
landlords find
long-term
tenants for their
properties...**





market, managing and conducting viewings, tenant finding, rent collection; routine maintenance, safety checks and inspections of the property, and dealing with the relevant paperwork whilst ensuring you are informed of any legislative changes. The extent of the services provided varies between agents and the price you will pay depends on the level of service you require but will typically be between 10% and 20% of the rental income. For example, you may just want an agent to find you a tenant, or you may want them to manage the rental agreement from start to finish. It is advisable to choose a letting agent that is a member of a professional organisation, such as the Association of Residential Letting Agents. It is a legal requirement that all letting agents dealing with the letting or management of properties be registered with Rent Smart Wales as a licenced agent. Please go directly to the following website for further information, costs and to find a local registered agent in your area.

For more information on the requirements of Rent Smart Wales, to register, apply for a licence or to book a training course, visit www.rentsmart.gov.wales or phone 03000 133 344.

It is advisable to choose a letting agent that is a member of a professional organisation, such as the Association of Residential Letting Agents.

HOUSES IN MULTIPLE OCCUPATION (HMOS)

If you own an empty property and wish to bring your property back into use by means of shared occupancy or single units and the property meets any of the following criteria the property will be classed as a HMO:

- An entire house or flat which is let to 3 or more tenants who form 2 or more households and who share a kitchen, bathroom or toilet.
- A house which has been converted entirely into bedsits or other non-self-contained accommodation and which is let to 3 or more tenants who form two or more households and who share kitchen, bathroom or toilet facilities.
- A converted house which contains one or more flats that are not wholly self-contained (ie. the flat does not contain within it a kitchen, bathroom and toilet) and which is occupied by 3 or more tenants who form two or more households.
- A building that is converted entirely into self-contained flats if the conversion did not meet the standards of the 1991 Building Regulations and of more than one-third of the flats are let on short-term tenancies.

Certain larger HMOs are also required to be licensed by the Council. Licensing is restricted to HMOs that are 3 or more storeys in height and house 5 or more tenants, made up from 2 or more households. (This is in addition to the RSW licensing requirements detailed above).

Any owner that wishes to convert their empty property into an HMO will need to consult with the Planning, Building Control and the Private Sector Housing Departments for specific advice and information before any works begin.

Doing nothing is no longer an option

This Authority has made a commitment to bring empty properties back into use for the good of the community as a whole. Leaving properties empty for years with no plan of bringing them back into use is no longer an option for you. The cost of having an empty property is increasing and this Authority will be proactively targeting long-term empties that are being neglected and ignored by their owners.

COUNCIL TAX

If your property is empty and contains no furniture, it will be exempt for the first 6 months from the date it became unfurnished. This date may be before you took over the property, which would mean you would only receive that part of the 6-month exempt period that applies to you.

Once this period has elapsed, your property then falls within the prescribed class of dwellings within Section 12, Local Government Finance Act 1992. This provides the Council with discretion whether or not to allow a discount. Caerphilly County Borough Council has resolved that no discount will apply in respect of this class of property. Therefore, a full charge is payable.

ENFORCEMENT ACTION

Invariably, empty homes can be neglected and fall into disrepair. Properties that are being ignored and neglected by their owners can be subject to a number of enforcement options that require owners to take action to secure, repair, renovate or demolish problematic buildings.

The main enforcement options available to the Council include:

- **Maintaining your empty property in good repair:** if your property or land is causing a nuisance or is having an adverse effect on the community, the Council has a wide range of different powers to enforce you to undertake works to address the concerns. If you fail

This Authority has made a commitment to bring empty properties back into use...



...if you are unwilling to bring your property back into use, the Council can apply to take over the management of the property.

to do so, the Authority can carry out works in default. The costs of doing the work is then recoverable from you. This includes securing buildings against unauthorised entry; removal of waste; preventing damage by pests, repairing defective rainwater goods and drainage problems, as well as improvements to the external appearance; and even demolition of buildings.

- **Enforced sale:** if the Council completes work in default of notices served on your property or land, under Section 103 of the Law of Property Act 1925, we have the power to sell your property or land in order to recover the costs incurred.
- **Empty dwelling management orders (EDMOs):** if you are unwilling to bring your property back into use, the Council can apply to take over the management of the property. An EDMO allows us to carry out work to bring the property up to a habitable standard and then rent and manage your property for a maximum of 7 years. Any costs which have been incurred to bring the property back to a required standard will be recovered from the rental income received during this period.
- **Compulsory purchase orders (CPOs):** if we are unable to encourage you to bring your property back into use or you fail to comply with statutory notices to improve your property, the Council may consider a CPO. If there is a strong enough case and it is in the public interest, a CPO will allow us to acquire your property or land.



Don't ignore, take control of your empty property today.

Contact private sector housing to discuss your intentions for the property on 01443 811378 or email privatesectorhousing@caerphilly.gov.uk