

**Date Issued** 1 April 2008**Last Reviewed** May 2019**Department** Housing Management**Title** Empty Homes Management**Objective** To ensure that empty properties are prepared to an agreed standard, to minimise the time properties are empty and to control rent loss and repair costs**Responsible** Director of Housing**Next Review Date** May 2024

## **1.0 Introduction**

- 1.1 An empty home is a property for which there is no income because it has no current tenant. Empty homes are an inevitable part of the provision and management of rented accommodation, as tenancies will end for one reason or another.
- 1.2 Whilst a property is empty, no rental income is being received for it. This can have an impact on the level and quality of service delivery which the Association can achieve. Empty home rent loss can be minimised by trying to reduce the number of properties which become empty and re-letting them as quickly as possible.
- 1.3 We have a set of Performance Indicators, Standards and targets for managing empty homes. We also have a clear set of procedures to assist staff in achieving our objectives and timescales.
- 1.4 This policy complies with:
  - Housing (Scotland) Act 2001
  - The terms of the East Lothian Scottish Secure Tenancy Agreement
  - The Gas Safety (Installation & Use) Regulations 1998
  - CDM Regulations 2015
  - Equalities Act 2010

This policy also aims to achieve the Scottish Social Housing Charter Standards 4, Quality of Housing and 13, Value for Money, and the associated outcomes, by ensuring that properties are always clean, tidy and in a good state of repair when they are allocated, and that the time houses are empty is kept to a minimum.

## **2.0 Policy Aims and Objectives**

We aim to:

- Meet our legal obligations to ensure that all properties are wind and watertight, habitable and in all respects reasonably fit for habitation at the start of each tenancy
- Assist in meeting housing need as soon as possible
- Minimise the rent loss on empty properties
- Minimise the cost of repairs whilst ensuring all properties are repaired to a minimum standard
- Ensure effective, efficient and accountable management of our properties
- Comply with legal duties, regulatory requirements and good practice standards
- To set targets in relation to empty homes management and to monitor this process
- Ensure tenants are aware of their end of tenancy obligations
- Prevent end of tenancy generated arrears and chargeable repairs wherever possible

### **3.0 Empty Homes Management Standards**

3.1 We take positive action to minimise the number of empty homes by:

- Advertising properties as soon as practically possible and making sure we match applicants to properties which will suit current and, as far as possible, future needs in order to reduce turnover
- Ensuring all our properties and their surrounding environment are managed and maintained to a high standard to achieve high tenant/resident satisfaction
- Taking preventative and early intervention action to resolve any rent arrears problems in order to reduce the number of evictions and subsequent empty homes
- Encouraging mutual exchanges
- Identifying and obtaining the appropriate support requirements to enable tenants to sustain their tenancies

3.2 We take positive action to minimise the time a property is empty by:

- Agreeing nomination / homeless referral arrangements, including timescales, with East Lothian Council and other agencies
- Where appropriate, interviewing prospective tenants early
- Setting clear timescales for responding to an offer and viewing a property
- Ensuring minimum notice periods are enforced unless it is not reasonable to do so

- Carrying out pre-termination inspections wherever possible and ordering routine repairs before the tenancy ends
- Offering rewards to encourage tenants to return properties in reasonable condition with no chargeable repairs
- Inspecting empty properties and ordering essential repairs and safety checks as soon as possible after receipt of the keys
- Securing empty properties where required to reduce vandalism
- Providing paint packs or decoration vouchers at every re-let.
- Carrying out non-essential repairs after a new tenant moves in.

#### **4.0 Definition of an Empty Home**

4.1 An empty home can be defined as 'a property that has no tenant for a 'period of time'. We consider a property an empty home in the following circumstances:

- Formal termination of tenancy
- On the death of the tenant (where no right of succession exists)
- Abandonment
- Eviction
- Transfers

Mutual exchanges do not have a period where the property is empty. The mutual exchange process is documented in our Tenancy Management Policy.

#### **5.0 Empty Home Categories**

5.1 We have two types of empty homes; properties which are available for let and those which are not. An abandoned house is not immediately considered to be an empty home as the tenant is responsible for the rent until the point where we have been able to repossess the property.

5.2 We have four different categories for properties which are not available for let:

- Straightforward empty properties which are undergoing repair and should be re-let within target timescales
- Empty properties which require major repair work or refurbishment where we expect them to exceed our target timescale for re-letting and they fall within the SSHC definition of an excluded void
- Properties that are held empty for management or policy reasons
- Customer Care Empty Homes; properties that are going to be empty for longer than our normal target timescale but which do not meet the reasons set out at (2) above For example, if we need to carry out a medical adaptation because it is unsafe for the prospective tenant to move in and this work will cause a delay in the empty house being completed.

5.3 We have three different categories for properties which are ready for let:

- **New Lets** Properties which have been handed over to us by our development agents and are waiting to be let for the first time.
- **Re-lets** Properties which have been let before and are waiting to be allocated or are undergoing repair.
- **Off rent** Properties which could be re-let but which we decide to use for other purposes for a period of time (e.g. to pilot a new heating system.)

## **6.0 Formal Termination**

6.1 A tenant must normally give us 28 days' notice, in writing, if they intend to terminate their tenancy. This requirement may be waived at the discretion of the Housing Manager in exceptional circumstances only.

6.2 Where a tenant is moving to another Association or public sector tenancy, they may have little control over the tenancy start date and we may consider reducing the Notice period to avoid them having to pay rent on two properties.

## **7.0 Death of a Tenant**

7.1 If a tenant has died and there is no qualified person to succeed to the tenancy, the tenancy will officially end on the date of the death. We will allow up to two weeks rent free for the house to be cleared although we retain the discretion to claim from the tenant's estate for the rent loss for this period. We may extend the period allowed to clear the house by a maximum of two further weeks, provided the previous tenant's estate will cover the rent loss.

7.2 We will advise the next of kin, or representative dealing with their affairs, of the end of tenancy responsibilities and procedures. With regards to the condition in which the property should be handed back, requirements are the same as those for a formal termination. When a tenant dies with no relatives, and has left no will, the estate reverts to the Crown. We will take advice from the appropriate agencies in such cases.

7.3 In the event of a sudden death arising through suspicious circumstances, our staff will work sensitively and quickly with family and / or external agencies such as the police. We will provide advice and support where appropriate to the remaining family, e.g. signposting to Victim Support or assistance with claiming benefits.

7.4 We will work within the legal framework for cleaning properties following the death of a tenant and for the disposal of contaminated

waste. We will always use an accredited company to clean the property.

7.5 If there is a qualified person to succeed the tenancy then staff will refer to our Tenancy Management Policy and Succession procedures.

## **8.0 Inspection & Repair**

8.1 We will carry out a pre-termination inspection wherever possible to assess what work is required. We will carry out an exit interview and provide advice to the outgoing tenant on clearing the house, highlighting the possibility of chargeable repairs and any improvements which may qualify for compensation.

8.2 Where possible, we will carry out a final inspection on the termination date or an agreed date, with the tenant present to check that any repairs required at the pre-termination inspection have been carried out. If the work has not been completed to our satisfaction, the tenant may be given the option of extending the tenancy so that they can avoid the cost of chargeable repairs.

8.3 It is not always possible to carry out a pre-termination and final inspection but in all cases we will carry out an inspection after the property has been vacated.

8.4 A property of a tenant who wishes to transfer will normally be pre-inspected before a Priority Pass is awarded. Transfers will be conditional upon the tenant leaving the property in a satisfactory condition. This requirement may be waived at the discretion of the Housing Manager.

8.5 Following the pre termination inspection we will order repairs which are our responsibility and which can be completed before the tenant moves out.

8.6 If the tenant has recently received any decoration allowances, for example, following contract work, staff will check to ensure that the decoration has been completed. If no work has been undertaken, then staff should request that the tenant return the decoration allowance. If not, the tenant will be charged the value.

8.7 As soon as the keys are received we will inspect the empty property to identify any repairs required to bring the property up to a lettable standard.

8.8 We will carry out the required gas (if appropriate) and electric safety checks for all empty properties. We will usually carry out required repairs whilst the property is empty, however, minor repairs may be carried out when the new tenant moves in. Upgrades which would not normally require a tenant to be decanted (e.g. kitchen & bathroom

replacements) will normally be carried out after the new tenant has moved in.

- 8.9 Contractors are employed to carry out repairs and must complete the work within a set timescale. Staff will monitor the repair work on empty homes separately from other repair work.
- 8.10 Decoration is the tenant's responsibility and we will only decorate properties in exceptional circumstances. A paint pack or decoration voucher, sufficient to re-decorate the whole property is given to every new tenant irrespective of the condition of the decoration. We will randomly or selectively inspect properties to ensure that re-decoration has been carried out.
- 9.11 Dirty properties will normally be professionally cleaned before the prospective tenant is allowed to view.

## **9.0 Chargeable Repairs**

- 9.1 If the post-termination inspection repair work is found to be required and is the responsibility of the out-going tenant, the costs of such work will be recharged to them. We have a formal procedure, set out in our Chargeable Repairs Service Policy, for pursuing the costs of chargeable repairs, redecoration and cleaning that are the former tenant's responsibility.

## **10.0 Right to Compensation for Improvements**

- 10.1 If a tenant has carried out an improvement to the property which qualifies under the Right to Compensation for Improvements Scheme they will be advised to claim compensation. Information is available on [elha.com](http://elha.com) and in a tenant's My Home account. Leaflets are available at any time on request.

## **11.0 Re-let Standard**

- 11.1 Properties will only be re-let when they meet our minimum lettable standard as detailed at **Appendix 2**.

## **12.0 Allocation of Empty Homes**

- 12.1 We will start the allocations process by advertising the property on the first available date after receiving notice to terminate. We will allocate

properties in an efficient, speedy and effective manner in accordance with our Allocations Policy.

- 12.2 To minimise the incidence of refusals we will arrange accompanied viewings with prospective tenants for both new lets and re-lets on every occasion. We will advise of the paintpacks / decoration vouchers at a re-let accompanied viewing, and will provide a list of any repairs to be completed within a set timescale after the tenant has moved in. We will also advise of any contract work to be carried out in the next year.
- 12.3 We will carry out new tenancy visits to any tenant who requests a visit, or to tenants who are vulnerable or for whom early indicators suggest that it would be beneficial, to ensure that the tenancy is sustained. Please refer to our Tenancy Sustainment Policy.

### **13.0 Reward Scheme**

- 13.1 There can be considerable costs associated with bringing empty homes up to a lettable standard where the outgoing tenant has failed to leave the property in an acceptable condition. Whilst we always try to recover these costs, this can be difficult once the tenant has moved on.
- 13.2 We will seek to minimise these costs by encouraging tenants to leave their homes in an acceptable condition by giving a reward.
- 13.3 We will reward tenants with £150 who terminate their tenancy and:
  - Have held the tenancy for a minimum period of 12 months (this requirement may be waived at the discretion of the Housing Manager)
  - Provides access to allow the property to be inspected before they move out
  - Return their keys on time
  - Leave the property in a clean and tidy condition, with no chargeable repairs or decoration needed
  - Leave a clear rent account
  - Leave a forwarding address
- 13.4 Where the tenancy terminates as a result of the death of the tenant, no reward will be paid.

### **14.0 Performance Monitoring**

- 14.1 We aim to maintain and ultimately improve our empty homes management performance through effective and efficient monitoring. **Appendix 1** sets out our targets in relation to empty homes management which will be reviewed annually.

14.2 Our Housing & Property Services Sub-Committee monitors performance through the submission of quarterly reports. These reports include:

- Number of tenancy terminations received and re-lets completed
- Quarterly loss of rental income on empty properties
- Cumulative rental loss on empty properties
- Average re-let times
- Empty homes exceeding time to repair target and why
- Empty homes exceeding time to allocate target and why
- Refusals of offers of housing and reasons why
- Cost of empty house repairs (annually)
- Benchmarking information (annually)
- The cost of paintpacks/decoration vouchers paid (annually)
- The number and cost of rewards paid out (annually)

14.3 We also measure tenant satisfaction with the empty homes management process through questionnaires.

## **15.0 Equal Opportunities**

15.1 We operate an equal opportunities policy, compliant with the Equalities Act 2010 and this applies to all aspects of our business. In dealing with the empty homes management process, no tenant will be treated differently or less favourably on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity; race, religion or belief, sex, or sexual orientation.

15.2 Upon request we will make information available on empty homes related matters (such as end of tenancy responsibilities, right to compensation for improvements and chargeable repairs) in alternative formats for example, in large print. We are members of Happy to Translate and will provide translations services if English is not a tenant's first language.

## **16.0 Review of Policy**

16.1 The Director of Housing is responsible for reviewing this policy every 5 years. Any changes required will be submitted to the Housing & Property Services Sub-Committee for approval.

**Appendix 1**

**Empty Homes Management Policy**

**Performance Targets**

We have set Performance Indicators and targets for managing empty homes.

Target times are all measured in calendar days.

**New Let Targets**

New let properties are handed over to us by our Development Agent and are then ready to let for the first time. The rent loss and new let time is calculated from the day the property is handed over.

Our target times for letting all new lets are:

- Within 3 working days of handover if there are less than 15 properties
- Within 5 working days if there are more than 15 properties

Our targets for new let rent loss are:

- 0.5% of the annual rent receivable for the development if there are less than 15 properties
- 1% of the annual rent receivable for the development if there are more than 15 properties

**Re-let Targets**

Our target for letting all re-let voids is 21 calendar days. This time is measured from the day after the keys are received to the day before the tenancy starts. Within the overall target the following functional targets are set:

<b>Task</b>	<b>Target (working days)</b>	<b>Comments</b>
Carry out empty property inspection	1	From receipt of keys
Issue repair instructions	1	From date of inspection
Repairs completed by contractor	10	From date repair instruction issued
Issue a confirmed offer	5	From termination date
Repair check	1	From keys back from contractor
Accompanied viewing	1	From repair check
Sign up tenant and complete paperwork	1	From accompanied viewing

The void rent loss target for re-lets is 0.75% of the overall annual rent receivable.

**Empty Homes Management Policy****Appendix 2****Minimum Re-let Standard Checklist**

\*Delete as necessary

**Address:**

	<b>STANDARD</b>	<b>MEETS STANDARD</b>	<b>DOES NOT MEET STANDARD</b>
Wind and Watertight	There are no leaks or draughts at windows, doors, walls, ceilings, roofs and gutters (visual inspection). No evidence of mould growth or water penetration.	<input type="checkbox"/>	<input type="checkbox"/>
Gas Fittings	A safety check will be carried out, as soon as a gas supply is available, any required remedial work will be completed and a copy certificate will be given to the tenant.	<input type="checkbox"/>	<input type="checkbox"/>
Electrical Fittings	A safety check has been completed and any remedial work has been carried out.	<input type="checkbox"/>	<input type="checkbox"/>
Gas/Elec Meters	Existing meter remain in place. Tenant to contact supplier if meter to be changed.	<input type="checkbox"/>	<input type="checkbox"/>
Smoke Alarms	The smoke alarm(s) has been tested and is in working order.	<input type="checkbox"/>	<input type="checkbox"/>
Water	Mains supply to kitchen sink. No visual evidence of leaks. Hot water supply: electric	<input type="checkbox"/>	<input type="checkbox"/>
Medical Adaptations	*Have been left for the use of the incoming tenant or arrangements have been made for removal.	<input type="checkbox"/>	<input type="checkbox"/>
Alterations / Improvements	*Are detailed below. Have been left for the use of the incoming tenant who accepts responsibility for future maintenance or arrangements have been made for their removal.	<input type="checkbox"/>	<input type="checkbox"/>

Cleanliness	The cleanliness of cupboards, floors, fixtures and fittings is acceptable and all of the former tenant's possessions (including domestic appliances) have been removed.	<input type="checkbox"/>	<input type="checkbox"/>
Doors	In place in every room. Operate freely and are free of holes and dents. Where fitted, locks work and a minimum of two keys have been provided.	<input type="checkbox"/>	<input type="checkbox"/>
Windows	All glass is free of chips and cracks. Operate and lock freely.	<input type="checkbox"/>	<input type="checkbox"/>
Walls and Ceilings	All ceilings free of polystyrene tiles. Wall panelling securely fixed and not obstructing electrical points. Tiles clean, securely fixed and free of serious cracks and chips.	<input type="checkbox"/>	<input type="checkbox"/>
Flooring and Stairs	Structurally sound (visual inspection) balustrade in place and secure.	<input type="checkbox"/>	<input type="checkbox"/>
Kitchen	Units securely in place. Matching doors and drawer fronts. Units/worktops free of excessive scratches, burns, and scores. Doors and drawers operate freely. Gas / Electric cooker point	<input type="checkbox"/>	<input type="checkbox"/>
Sanitary fittings	Free from obvious leaks (visual inspection), cracks or chips. Plugs and chains in place.	<input type="checkbox"/>	<input type="checkbox"/>
Decoration	In reasonable condition	<input type="checkbox"/>	<input type="checkbox"/>
Gardens	Free of rubbish, grass and flower beds in a reasonably neat and tidy condition. No unsound structures, including footpaths.	<input type="checkbox"/>	<input type="checkbox"/>
Drying Facilities	*Clothes poles secure. Whirligig socket in place.	<input type="checkbox"/>	<input type="checkbox"/>
Sheds or Other Outbuildings	*If left in place, become the responsibility of the incoming tenant.	<input type="checkbox"/>	<input type="checkbox"/>

TV Aerials / Satellite Dishes	*If left in place, become the responsibility of the incoming tenant.	<input type="checkbox"/>	<input type="checkbox"/>
Common Parts	*Are clean and in reasonable condition.	<input type="checkbox"/>	<input type="checkbox"/>
General	The property as a whole is reasonably fit for habitation.	<input type="checkbox"/>	<input type="checkbox"/>

\*Delete as necessary

Where standard not met the following action will be taken:

Name of Property Officer: \_\_\_\_\_

Date Form Completed: \_\_\_\_\_