

Local Government and Communities Committee

Note of empty homes fact-finding visit and community meeting in East Ayrshire on 24 June 2019

Introduction

1. This note provides an overview of the Committee's fact-finding visit to East Ayrshire on 24 June, in connection with its empty homes inquiry. This includes a summary of the issues discussed at a community meeting about empty homes in Newmilns.
2. Whilst in East Ayrshire, the Committee also gathered information and views relating to its scrutiny of the Non-Domestic Rates (Scotland) Bill and a separate note on this part of the visit is available on the [Committee's Bill page here](#).

Background

3. The Committee agreed in Spring 2019 to hold a short and focussed inquiry into the causes and solutions of empty homes. As part of this work, it agreed to travel to East Ayrshire to see first-hand the impact of empty homes on communities and to discuss potential solutions. Five members of the [Committee](#) attended the visit, James Dornan MSP (Convener), Kenneth Gibson MSP, Graham Simpson MSP, Alexander Stewart MSP and Andy Wightman MSP.



Fact-finding visits to Kilmarnock and Newmilns

4. During the visit, the Committee were first shown some empty homes near the centre of Kilmarnock. These were flats above commercial property in various states of disrepair. The Committee heard from the local council's Empty Homes Officer how the very visible presence of these properties negatively impacts people's overall pride of the Community. It also has a direct negative impact on people living alongside the properties.
5. Some empty homes had fallen into disrepair due to years of neglect. Others had been purchased by foreign investors looking to make a profit. The Committee heard that sometimes the buyer may not even have inspected the property before buying it and it may have been in a worse condition than they had appreciated. The buyer may also have had unrealistic expectations about rental returns. The result was that the property was often effectively abandoned and would fall into disrepair.
6. The Committee also went to see a property just off the main street in Kilmarnock. This was a large and very attractive Victorian family home, which had fallen into serious disrepair after the previous owners had had family issues. It had lain empty for ten years with no maintenance.



7. The owner had purchased the property for £1 on the ground that they would carry out the necessary repair works to bring it back into use. Given the age of the property, the state of disrepair and the owner's wish to bring the property back to a high standard, the works were set to take around 2 years. The owner said that cumulative council tax bills, including the threat of double charges for having an empty property, would have resulted in a bill of around £20,000. However, following negotiations with the Council and support from their Empty Homes Officer, the Council had instead put a demolition order on the property, meaning that the empty property

surcharge would not be imposed. The threat of a demolition order meant that the property could be put up for demolition at any point, however the Council had committed not to do so as long as the necessary repairs went ahead.

8. In Newmilns, the Committee walked along the main road running through the community. Most properties on the main road are domestic rather than commercial. The street contained many properties which had been empty for a number of years. The Committee was shown that many were now in grave states of disrepair, some with furniture, building materials or waste piled up outside, and with the small garden areas to the front often unkempt. The Committee heard views that the street had been in general decline for years and that the decline of local industry and depopulation was largely to blame for this.
9. Following a walk round the empty properties in Newmilns, the Committee visited [MYB Textiles](#), which is one of two remaining lace factories in Newmilns. Traditional lace-making had once been a thriving industry in the area. It then met with [Newmilns Regeneration Association](#) where it discussed the Association's [community action plan](#) for the area. Newmilns is one of the first towns in Scotland to have a placemaking plan.



Newmilns Community Event

10. During this event, which took place in Morton Hall in Newmilns, Members of the Committee met with a number of individuals with “lived experience” of empty homes in East Ayrshire. This included owners and neighbours of empty properties, as well as representatives from local community groups, development trusts and community councils. Some in attendance were from Newmilns and some had come from towns nearby with similar issues.

Impact on communities

11. The Committee were informed that the decline of the lace industry in the Irvine valley had caused local communities such as Newmilns and Darvel to go “downhill” over the past few years. At one time, there had been around 20 lace factories in the valley, and now there were just 2. Twelve double decker buses used to pass through Newmilns to take the employees to the factory. The number of empty homes had risen as industry had started to fall. Some Ayrshire communities had to some extent taken on new identities as commuter towns, which had sustained the housing market, but this had not happened in Newmilns and nearby communities, which were slightly too remote.
12. The Committee heard that properties in the area could be bought online for as little as £5000 without full knowledge of the condition of the property or the state of the local housing market and without investors realising the difficulty of returning any profit. Properties bought in this way were often in effect abandoned, becoming “eyesores” on the main street.



13. One long-term Newmilns resident said the community had acquired a local media reputation as a problem area, with issues of lack of regeneration and crime. They said that a disproportionate amount of the people resettled in the area by social services are people with social or mental problems or criminal backgrounds and that this did not help the community. They said that the local council failed to prioritise financial support for the community compared to other areas. They also said that some local property owners must take their share of the blame for failing to maintain their properties. They said the only realistic solution in some cases might be to demolish

and rebuild whole streets. They said this would provide an opportunity to widen the main street, which was an accident bottleneck.

14. The Committee also heard about New Cumnock, another East Ayrshire community with similar depopulation problems to Newmilns caused by industrial decline. It had the small comparative advantage of being relatively close to Dumfries House, owned by the Prince's Foundation, and had received some regeneration moneys from the Trust for local amenities. It had also been seeking to develop its profile as an outdoor tourism centre. Representatives of the community said that consideration should be given to strengthening the powers of local government to encourage people to sell or maintain and improve properties.



Owners' stories

15. The Committee heard from owners of empty properties. These included a couple who had inherited a home in Newmilns from a deceased parent and then had trouble selling it, and the owner of a property in South Ayrshire which had now been empty for over four years. The flat above their property had changed hands several times in the last 4 years there had been serious recurring issues with water ingress that had made their own apartment practically uninhabitable.
16. The owner said that they had been in touch several times with the Council's Environmental Health department, but the Council would not come out to inspect the properties. The owner was also unable to ascertain who owned the property above and was unwilling to do any further repairs on their own property until the Council agreed to investigate the issue further. They were

now being charged the council tax empty property levy. They said this was very unfair.

17. One individual said that they lived next door to a property in Kilmarnock which had been allowed to fall gradually into disrepair since 2004. The property was an old family home which used to be visited on a few occasions a year, but which now lies entirely empty and was no longer being maintained. The current owner had initially talked about coming home to live there but clearly this was not now going to happen. They may also have had unrealistic expectations about waiting for a market upturn to sell the property. The neighbour said that the some of the windows were damaged and the garden was overgrown. Not only was the property unsightly, it was unsafe and there were concerns about whether it was insured. As far as they were aware, the property had never been inspected by the Council.



Council powers and duties

18. The Committee heard views that Compulsory Purchase Orders (CPOs) are difficult to use, in that they are not a quick solution, and tie up human resources, legal resources in particular. The Committee were informed that CPOs had been used very rarely in East Ayrshire.
19. The Committee also discussed the Community Right to Buy Scheme¹ with participants. The Committee heard views that the scheme is difficult to access, as the community must prove that it really wants the property and set out a clear and detailed plan for its use. It was highlighted that this requires a lot of consultation in the local community. The Committee heard

¹ <https://www.communitylandscotland.org.uk/tag/community-right-to-buy/>

of a perception that consultation on community projects in an area will take place, which raises excitement, and then nothing seems to happen. On the other hand, positive examples were given of the council offering skilled help in project managements to local development trusts, particularly where the trusts can identify methods of funding.

20. The issue of whether the Scottish Government should bring in Compulsory Sales Order (CSO) powers for Councils was discussed. Views were that it could be an effective tool if you can trace the owner of the property, which might be difficult if the owner was a foreign purchaser who bought the property online. For a CSO to work, there also have to be willing buyers, which may not always be the case, especially in communities with a depressed local housing market. CSOs would need to be less complicated than CPOs if they are to be effective.
21. The Council Tax levy on empty properties was discussed. There was a view that this should be discretionary, not automatic, and that the Council should take into account relevant factors, such as whether the property was actually inhabitable and whether the owner was making repairs or renovations to bring it back into use. Some also felt that it was unfair to be charged water and sewerage when the property was disconnected from the mains.
22. The Committee also discussed the Council's policy on the buy-back of ex-Council properties. It heard that the Council's priority was to buy the only property in a block of properties that is not council-owned, where the opportunity arises, so as to bring the whole block back into Council ownership. There were views that the Council could be more proactive in buying properties in communities where there is a clear empty homes problem and turning these into social housing.
23. The Committee heard that councils could intervene in some ways in relation to empty homes. For instance, examples were given of the council tidying an overgrown garden to address a potential issue with vermin and other potential health and safety risks. However, the view was that the council did not generally see action of this sort as a priority.
24. The Committee heard views that councils should have enhanced powers of intervention against speculative developers, who buy land (which may include empty properties) then sit on it, waiting for property prices to go up, sometimes over many years. This practice was seen as a blight on some communities.