

## Hot topic Empty dwelling management orders

# Into the void



**Dean Underwood,**  
barrister,  
Hardwicke  
Building

### EDMOs are a useful tool for authorities struggling with empty homes

**EMPTY PROMISE** Empty dwelling management orders were introduced by the Housing Act 2004 to enable local housing authorities to take over the management of empty residential properties.

They are a last resort, made when LHAs have been unable to persuade the owner of an empty dwelling to arrange for its occupation.

#### What are the first steps?

The LHA must first ask the residential property tribunal to approve an interim EDMO. Certain statutory conditions must be met: the dwelling must have been wholly unoccupied for at least six months; there must be no reasonable prospect that it will become occupied in the near future; and there must be a reasonable prospect that it will become occupied if an order is made.

The tribunal must also consider the interests of the community and the

likely impact of the order on both the owner and third parties. Provided the dwelling is not exempt - if it's genuinely on the market or a holiday home - the tribunal may approve the order.

It may order the LHA to compensate third parties for interference with their rights. Interested third parties may also apply for compensation while the order is in force. The owner can appeal the tribunal's decision but the LHA may make the order nonetheless.

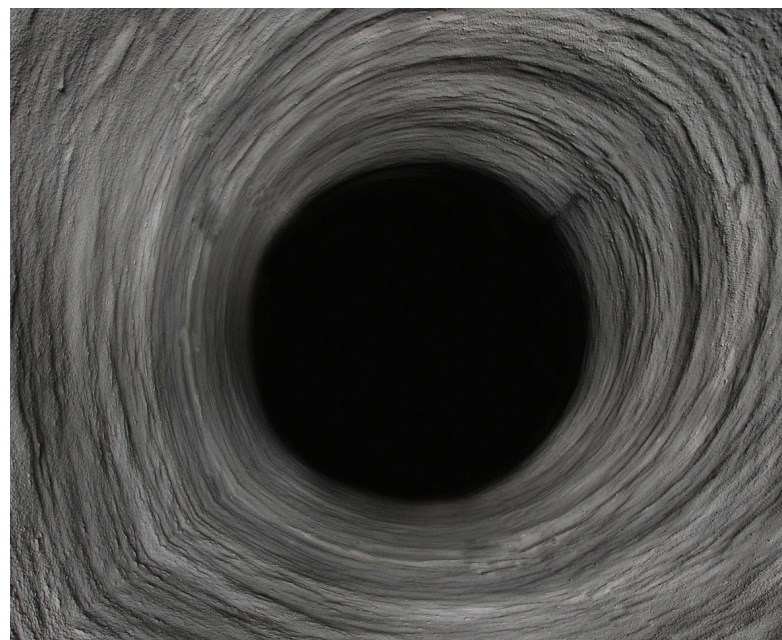
#### How does an interim EDMO work?

The interim order operates as a local land charge and can last for 12 months, during which time the LHA has the right to possess the dwelling, must manage it and try to secure its occupation. It may ask the tribunal to determine any existing lease or licence, but cannot let the property without the owner's consent.

#### What if the dwelling remains unoccupied?

If the dwelling remains unoccupied, the LHA faces a choice: to make a final EDMO, or vary or revoke the interim order. It may make a final order without reference to the tribunal, but must serve a copy of the proposed order on the owner together with a notice detailing its terms, a management scheme and the reasons for making the order.

It must also consider whether third



**The void: EDMOs allow authorities take over empty properties**

parties should be compensated for interference with their rights. The owner can appeal the LHA's decision, as well as the terms of the order and management scheme.

#### What is a final EDMO?

The final order operates as a local land charge and may last for seven years. Third parties affected by the order may again ask the tribunal for compensation. The LHA must actively manage the property and try

to secure its occupation. It may now let the dwelling without the owner's consent and recover its management costs from the income.

If it cannot fill the property, the LHA may vary the terms of the final EDMO but must otherwise revoke it and give the owner possession.

*dean.underwood@hardwicke.co.uk*

→ See [www.insidehousing.co.uk/emptypromise](http://www.insidehousing.co.uk/emptypromise) for more on the campaign against empty homes

## Focus on Service charges

# Extra charge

### Changes to right to buy legislation can assist leaseholders who have been hit by service charges, explains James Driscoll

Escalating service charges have a big impact on social landlords' leaseholders. Particular problems can arise where the landlord decides to carry out major repairs or regeneration on an estate or similar development.

The cost of this can be enormous and the landlord is bound by law to seek recovery of part of it from those who own their flats, which were originally purchased under right to buy.

Two new ways in which leaseholders with right to buy leases may be assisted came into force on 6 April as part of the changes made to

the right to buy legislation by last year's Housing & Regeneration Act.

First, there are changes to the power to make service charge loans. Second, there is now a novel measure in place by which landlords can make in effect financial contributions to flat owners, in return for a share in the equity of the flat.

There is nothing particularly new about service charge loans: the changes allow landlords not to charge interest on the loans, which may ease matters for leaseholders on lower incomes. Equity loans are probably designed for more substan-

tial sums, representing assistance in cases of major works, the costs of which might be beyond some leaseholders.

Some landlords may balk at taking a share of equity in the present economic climate, and leaseholders too may have considerable reservations about trading their equity for financial assistance.

Another difficulty is that leaseholders have the right to challenge the service charge in the leasehold valuation tribunal.

*Professor James Driscoll is a solicitor with Trowers & Hamlins*