

EAST HERTS COUNCIL

EXECUTIVE – 5 JANUARY 2016

REPORT BY EXECUTIVE MEMBER FOR HEALTH AND WELLBEING

EMPTY HOMES STRATEGY

WARD(S) AFFECTED: All

Purpose/Summary of Report

- To propose the revised Empty Homes Strategy and Action Plan for the period 2016 – 2020 and to identify the targets and actions that can be achieved based on the current level of resource and with increased resource.

RECOMMENDATION FOR EXECUTIVE: That:

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| (A) | The revised Empty Homes Strategy and Action Plan be approved either: <ul style="list-style-type: none">• based on existing resources and targets recognising that those elements of work indicated will be delayedOR• with a recommendation for increased resources to allow for the increased target and additional elements |
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1.0 Background

Previous Empty Homes Strategy

- 1.1 The previous East Herts Empty Homes Strategy (2010 – 2015) was approved by the Executive in March. The strategy continued with the 5 step approach to tackling empty homes introduced in 2007.
- 1.2 The main change in the 2010 strategy was to recognise the need to put particular emphasis on empty properties that have been left empty for the longest time, are particularly detrimental to their locality and/or those that could alleviate particular housing need.
- 1.3 The aim was revised and a revised action plan produced to address the six objectives.

Targets

- 1.4 From 2010/11 the target set for the Empty Homes Officer to bring properties back into use has been 10 per year with the expectation that two of these properties will have been longer term or problematic empty homes.
- 1.5 The target has been met or exceeded in each year although getting accurate information on this is very time consuming as many owners are reluctant to engage with us and may not inform us when the property is occupied.

Resources

- 1.6 East Herts Council has had a dedicated Empty Homes Officer (0.5 FTE) in post since November 2004.
- 1.7 Between 2010 and 2012 the PLACE project was able to fund additional support to the Authorities involved and each benefited from work to better manage the available data and ensure that initial letters were sent to the owners of empty properties.
- 1.8 From August 2014 the Council has also employed an Empty Homes Assistant (0.2 FTE) on a two year fixed term contract.
- 1.9 The Empty Homes Assistant was intended to, and has focused on the identification and initial stages of the process, freeing up some time for the Empty Homes Officer to initiate enforcement action. Due to the increased number of empty properties requiring intervention under the current strategy, only limited capacity has been released for enforcement action and systems/other enhancements e.g., website.

Driver for Change

- 1.10 The Action plan associated with the previous Empty Homes Strategy has been reviewed and this review together with a proposed action plan can be seen as ERP B. The main theme from the review is that the volume of empty properties to be investigated and assessed for prioritisation together with the maintenance of data is holding back other activity.
- 1.11 Whilst the target has been met or exceeded each year, this is becoming more challenging as previous action and support has left a core of less cooperative owners requiring more concentrated action. With increasing numbers of empty properties requiring the initial letters and subsequent follow up, the time available to focus

on any enforcement is diminished.

- 1.12 Empty properties other than those coded as long term empty are no longer being investigated. This leads to the possibility of other empty properties (including those that are uninhabitable, where the owner is in care or where the property is empty awaiting probate) remaining empty for longer with consequent deterioration in their condition.
- 1.13 Opportunities exist to improve information use (e.g., through better liaison with Councillors and town/parish councils) and processes (eg supporting linkages with Council Tax) but these require further commitment and investment.
- 1.14 Whilst the threat of enforcement has often been effective it was recognised that there remain owners who still do not engage with the council and that taking enforcement may be the only way to bring certain properties back into use. The addition of the Empty Homes Assistant was intended to allow the existing Empty Homes Officer time to initiate further enforcement action but with the ongoing workload this has still proved difficult. To date Enforcement action in the form of Compulsory Purchase has been recently authorised for one property and remains to be taken forward.
- 1.15 Further changes to the approach and in particular prioritisation of properties are required to allow a more effective focus on the more long term or problematic empty properties and to allow enforcement to be used as an effective tool to reduce the number of long term or problematic empty homes.

2 Report

Data and numbers of Empty Homes

- 2.1 Since September 2009 the Council has had a specific module within the Environmental Health Database system to help manage empty homes work. To date over 1700 Empty Homes worksheets have been created and there are currently just over 500 active cases.
- 2.2 Much of the initial data comes via monthly reports from our Council Tax system and much work has been done to enable less manual input of this data.

2.3 In the Strategy 2010-2015 the number of Long Term Empty Homes in East Herts (those remaining empty for over 6 months) was given as 627. This was based on figures published from the Housing Strategy Statistical Appendix (HSSA) return for 2008. The HSSA return no longer includes these empty homes figures and the prime source of comparable data across the country is the Council Tax Base (CTB) return.

2.4 The key published empty homes figure based on data from the CTB return October 2015 gives our number of Long Term Empty Homes as 395 however, this is based on a subset of the total number of empty homes and does not include, for example, those left empty by people in care homes or those empty awaiting probate. Taking the data from 2015, a more comparable figure to that used previously would show that in October 2015 there were approximately 561 long term empty properties.

2.5 In the Strategy for 2010 to 2015 it was stated that:

“a significant number of properties can remain empty for up to two years before being brought back into use”

Taking figures for the years from 1/10/2011 to 30/9/2013 the following information was extracted.

Total new long term empty properties from Council Tax			617
Properties no longer empty after (from initial date empty)			
	0 months	13	
	0 – 6 months	51	
	6 -12 months	217	
	12-18 months	132	
	18 – 24 months	62	
Properties remaining empty after 24 months			142

There has been a big increase from 617 properties becoming long term empty in 2011-13 to 1031 in 2013-15.

Internal Systems Change

2.6 During 2016, Environmental Health will be moving to a new system for work/data management. This system does not have a dedicated empty homes module although work is currently ongoing to mitigate the negative impact of this and to determine an improved capture of empty homes data.

Legislative Change

- 2.7 New Homes Bonus, aimed at incentivising the building of new residential property in a Local Authority area and recognising the benefit of bringing empty homes back into use, was introduced in 2011 with the first payments made in the 2012/13 financial year using the Council Tax Base figures to determine the change in number of dwellings between October 2010 and October 2011.
- 2.8 Changes have also been implemented to the Council Tax exemptions and discounts available for certain empty homes. Previously properties that were empty and substantially unfurnished could be exempt from Council Tax for up to 6 months and those that were empty requiring major repair work or undergoing structural alterations could be exempt for 12 months. Since 2013 East Herts has taken advantage of the flexibility to change these exemptions and these now qualify for discounts of 50% for 6 months and 12 months respectively. Properties empty for more than 6 months (not requiring major works) and second homes are now charged at the full amount.
- 2.9 Taken together, these changes have taken away much of the incentive for owners to inform the Council Tax department that homes remain empty. Internally they drive a focus on reducing those shown as long term empty.

Changes to the Strategy for 2015-2020

- 2.10 The stated aim of our empty homes work has been amended to recognise that specific housing need will be met both in the rural areas and our towns and is now:
- “To bring empty homes back into use and tackle those that are long term, are problematic or could meet specific housing need”
- 2.11 As indicated in the Review of Empty Homes Strategy Action Plan **Essential Reference Paper “B”** the number of objectives has been reduced from six to four.
- 2.12 The approach is still based on encouragement of the owners of empty properties to bring them back into use voluntarily with our support if required. However the focus has been amended to allow more focused action for specifically targeted longer term or problematic empty properties where voluntary action is not achieved. Where enforcement action is taken we will use publicity

to give greater awareness to others that action may be taken.

2.13 Limit the time spent on properties empty for less than two years where there have no complaints or requests for action, with no engagement with the owner following the initial two-letter process. Follow these up after two years with a visit to assess the level of impact on their neighbourhood.

2.14 Generate a manageable target list of properties for focused action based on an annual process of prioritisation. The inputs to this process will be all properties with complaints and those that have been empty for at least two years.

2.15 Prioritisation scoring will include:

- Length of time empty
- Number/spread of complaints received
- Property condition and its visual and physical impact on the neighbourhood
- Property location
- Level of debt owed to the council
- Level of formal action previous undertaken
- Likelihood of return to use without our intervention
- Strategic value, e.g., meeting local housing need

2.16 The Empty Homes Officer will then focus on the properties on the target list making renewed efforts to contact the owners and initiating the process towards enforcement action as necessary.

2.17 This change of emphasis is shown in the change in the approach diagram used in the section “Our Approach to Tackling Empty Homes” on page 10 of the revised strategy **Essential Reference Paper “C”**.

2.18 With the increased focus on enforcement the revised strategy includes an appendix giving the options appraisal criteria that will be applied to those properties identified for enforcement and in particular those that are in the process of Compulsory purchase. This will help determine whether the Council will immediately sell the property on acquisition, will retain the property within its portfolio or some other outcome e.g., refurbish/redevelop the property then sell. It is based on the established options appraisal used by the Assets and Estates Manager for commercial property decisions.

- 2.19 Develop a package of information for members and encourage them to provide local information on the empty homes in their wards
- 2.20 Improve the Empty Homes information on our web site and develop a simple suite of web forms to allow owners and others provide information to us through this channel.
- 2.21 Work with Council Tax colleagues to deliver a more effective process for working together and communicating our findings on properties back into their systems.
- 2.22 Include properties empty with other Council Tax exemptions or discounts eg long term probate cases.
- 2.23 Continue to work with the PLACE Consortium to deliver funding to support the reuse of empty properties ensuring that the offer remains supportive of our overall housing strategy.
- 2.24 Develop an East Herts Loan Scheme through the East Herts Private Sector Assistance Policy initially to support certain empty homes owners that cannot be offered support under the PLACE scheme eg potential owner occupiers.

Resource and Target Implications

- 2.25 With the current resource level and the implementation of the new process for initial investigation and prioritisation it is anticipated that a target of 10 properties returned to use each year with two enforcement cases formally initiated can be achieved with a slight risk to this in the year 2015/16 as the new Environmental Health database system is implemented.
- 2.26 Work on the website, member involvement and developments e.g., to the PLACE project may be further delayed. (ie items 2.18 to 2.23 above)

NB. Formal initiation of an enforcement case will be the point at which formal approval to proceed is received for an Empty Dwelling Management Order, Compulsory Purchase Order or Enforced Sale to recover a Council debt.
- 2.27 To increase the number of properties actively targeted would require additional resource.

- 2.28 An additional Empty Homes Officer (0.5 FTE) and an increase in the Assistant Empty Homes officer from 0.2 to 0.4 FTE would allow the target to be increased to 14 properties brought back to use each year with up to 4 enforcement cases formally initiated. As a two year trial to demonstrate the increase in properties brought back into use the financial implication for this would be £21,400 per annum to be funded from the transformation reserve.
- 2.29 The current fixed term contract Empty Homes Assistant post has enabled some enforcement action and a greater consistency of initial contact with empty homes owners. It is therefore recommended that the post be made permanent

3.0 Implications/Consultations

- 3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.
- 3.2 A report entitled Proposed Changes to the Empty Homes Strategy was taken to Community Scrutiny Committee on the 17th November 2015 to seek their comments on the proposed options for change to the Empty Homes Strategy for 2015-2020 together with the resource implications and proposed action plan.

The minutes of this meeting show that this committee supported the proposed change in approach for prioritising and filtering empty property for action. Members also supported a recommendation to the Executive that the Empty Homes Assistant post be made permanent and to ask Executive Members to consider an increase in the resources available to Empty Homes to enable them to take on the additional work as set out in the report and action plan.

Background Papers

None

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