

EAST HERTS COUNCIL

COMMUNITY SCRUTINY COMMITTEE – 17 NOVEMBER 2015

REPORT BY COUNCILLOR E BUCKMASTER, EXECUTIVE MEMBER FOR HEALTH AND WELLBEING

PROPOSED CHANGES TO THE EMPTY HOMES STRATEGY

WARD(S) AFFECTED: All

Purpose/Summary of Report

- To seek comments on the proposed options for change to the Empty Homes Strategy for 2015-2020, the resource implications and the proposed Action Plan.

RECOMMENDATIONS FOR COMMUNITY SCRUTINY COMMITTEE:

That:

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|------------|---|
| (A) | the proposed change in approach for prioritising and filtering empty properties for action be supported; and |
| (B) | Members advise on the level of action and commensurate resource to be included in the strategy. |

1 Background

Previous Empty Homes Strategy

- 1.1 The Council's Empty Homes Strategy approved in 2007 and revised in 2010 is based on a 5 step approach to tackling empty homes.
- 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. Changing the aim from the 2007 strategy of

“To maximise the number of empty homes brought back into use.”

To the revised aim:

“To bring empty homes back into use and tackle those that are long term, are problematic or could meet specific housing need.”

With 6 supporting objectives.

Targets

- 1.3 Targets were set for the Empty Homes Officer to bring Empty Homes back into use in accordance with the previously used Best Value Performance Indicator (BVPI 64). Whilst this is no longer a national indicator it has been retained as a local indicator and is defined as:

“Number of non-local authority-owned vacant dwellings returned to occupation or demolished during the financial year as a direct result of action by the local authority.”

- 1.4 The target was previously set at 12 but was reduced to 10 with the expectation that from the year 2010/2011 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 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.
- 1.11 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.
- 1.12 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.
- 1.13 Enforcement action in the form of Compulsory Purchase has been recently authorised for one property and remains to be taken forward.

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 2014 gives our number of Long Term Empty Homes as 377 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 2014, a more comparable figure to that used previously would show that in October 2014 there were approximately 534 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.

2.10 Proposals for Strategy 2015-2020

- 2.10.1 Maintain an approach based on encouragement of the owners of empty properties to bring them back into use voluntarily with our support if required. Allow for sufficient resource to be focused on enforcement for the longer term or other problematic properties. Through publicity, give greater awareness to others that action may be taken.
- 2.10.2 As indicated in the Review of Empty Homes Strategy Action Plan **Essential Reference Paper "B"** the suggestion is also to reduce the number of objectives from 6 to 4.
- 2.10.3 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.
- 2.10.4 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.
- 2.10.5 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.

2.10.6 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.

2.10.7 This change of emphasis is shown in the change in the approach diagram used. See diagram showing this change attached at **Essential Reference Paper “C”**.

2.10.8 With the increased focus on enforcement the revised strategy will include 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. This will be based on the established options appraisal used by the Property and Estates Manager for commercial property decisions.

2.10.8.1 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.

2.10.9 Develop a package of information for members and encourage them to provide local information on the empty homes in their wards.

2.10.10 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.

2.10.11 Work with Council Tax colleagues to deliver a more effective process for communicating our findings on properties back into their systems.

2.10.12 Include properties empty with other Council Tax exemptions or discounts eg long term probate cases.

2.11 Resource and Target Implications

2.11.1 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 system is implemented.

- 2.11.2 Work on the website, member involvement and developments e.g., to the PLACE project may be further delayed.

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.

- 2.11.3 To increase the number of properties actively targeted would require additional resource.

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.

The Empty Homes Assistant post has enabled some enforcement action and a greater level of contact with empty homes owners. It is therefore recommended that the post be made permanent.

3 Implications/Consultations

- 3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers - None

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