Meeting: Social Care Health and Housing Overview and Scrutiny Committee

Date: 12 April 2012

**Subject:** Empty Homes Strategy review of performance

Report of: Cllr Carole Hegley, Executive Member for Social Care Health and

Housing

**Summary:** The report proposes that Members of Overview and Scrutiny review and

note performance in tackling empty homes in Central Bedfordshire

Advising Officer: Julie Ogley, Director of Social Care Health and Housing

Contact Officer: Nick Costin, Head of Private Sector Housing

Public/Exempt: Public

Wards Affected: All

Function of: Council

### **CORPORATE IMPLICATIONS**

## **Council Priorities:**

- 1. The report supports the Council Priorities;
  - Supporting and caring for an ageing population
  - Managing growth effectively
  - Creating safer communities

#### Financial:

- 2. The capital programme includes a budget of £160K net for 2012/13. The business model for Empty Dwelling Management Orders (EDMO's) includes repayment of the capital renovation costs through rent collected during the lifetime of the EDMO lease (maximum 7 years). In addition, Genesis housing association will provide £20K per property under the current framework agreement. The Council received notification on 5 March 2012 that a bid for £200K Government empty homes funding from the Home and Community Agency is successful. This funding will be used for non enforcement solutions.
- 3. The harmonisation of Council tax policy for empty homes in April 2011 increased the potential for increased Council Tax income from empty home owners in the north of Central Bedfordshire. The anticipated increase in income is £432K.

# Legal:

4. All high level enforcement action in respect of empty homes is undertaken with close liaison with Legal and Democratic Services.

# **Risk Management:**

- 5. The following risks have been identified;
  - Risk of failing to Deliver Council Priorities
  - Reputational risk, arising from dissatisfaction from the neighbouring residents of these properties.
  - Risk of challenge to Council by property owners
  - Partnership risks resulting from the development of the partnership with Genesis Housing Association.
  - Risk of non delivery of the programme as a result of time needed to progress applications for enforcement action.
  - Financial risks arising from the programme slipping.
  - Failure to discharge statutory responsibilities.

These risks are minimised through joint working between Housing Services and Legal and Democratic Services, and through the learning from current experiences. All potential risks associated with developing the partnership with Genesis Housing Association are being minimised through joint work on the current pilot properties agreed by Executive in Sept 2009

# Staffing (including Trades Unions):

6. Not Applicable.

## **Equalities/Human Rights:**

- 7. Public authorities have a statutory duty to promote equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and foster good relations in respect of nine protected characteristics; age disability, gender re-assignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 8. The empty homes strategy is designed to help meet the needs of people needing accommodation in Central Bedfordshire. It is designed to increase availability of housing resources that are currently wasted through being empty and to tackle those homes that are blighting neighbourhoods as a priority. An equality impact assessment has been undertaken as part of the development of the strategy and has found that there is no current evidence that vulnerable groups are more likely to be affected by problem empty homes.
- 9. Much of the proposed enforcement activity is set out in statute. All Officers are trained to ensure compliance with the law and to recognise the different needs of communities and apply the law in a fair and consistent manner so as to not discriminate.

10. Bringing problematic empty homes back into use should have a positive impact for all members of the community.

#### **Public Health**

11. Empty properties can be a source of distress to neighbours for fear of crime and problems associated with poor structural condition of neighbouring empty homes, particularly those who are older or vulnerable.

# **Community Safety:**

12. The Council has a statutory duty to do all that it reasonably can to reduce crime and disorder in its area Empty properties are often a source of criminal or unsociable behaviour when they are visibly un-occupied, including the dumping of refuse, attempts to break in and cause damage, thefts etc. Consequently, the proposals of this report will progress action to bring these properties back into occupation and consequently improve community safety.

# Sustainability:

13. Returning empty properties back into use has been shown to be a more sustainable approach to meeting housing need than new build housing, even where remedial works are required. It will also enhance the immediate residential environment and good management will help ensure that the initial improvements are maintained. Any improvements required will normally include energy efficiency works, resulting in a more affordable home for prospective tenants.

#### **Procurement:**

14. The current partnership agreement with Genesis Housing Association enables the Council to use the contractors who have successful obtained the contract with Genesis. These contractors are currently being tested on the current EDMO properties but market testing has failed to find further housing associations that provide the same services.

#### **RECOMMENDATIONS:**

The Social Care, Health and Housing Overview and Scrutiny Committee is asked to:-

- 1. Note the achievements obtained to date in respect of empty homes since April 2009, including the additional revenue the Council is likely to receive.
- 2. Note the properties that will be recommended to Executive for approval for further high level enforcement action

## **Background Information**

- 15. Central Bedfordshire Council Empty Homes strategy was approved by Executive in November 2010. Prior to this, in September 2009, Executive agreed to progress high level enforcement action in respect of 5 long term empty homes. The final and most problematic application for Empty dwelling management order (EDMO) will be made in March 2012.
- 16. Empty Homes are a potential resource and have to be considered in the wider housing agenda, particularly around the potential use of private rented accommodation in discharging homelessness duty. Returning empty homes into occupation can help improve access to good quality accommodation and can help meet housing need.
- 17. The Private Sector Housing (PSH) service pro-actively targets long term and problematic empty homes, which are prioritised against certain criteria. From this, a priority list of properties is established, with a view to obtaining approval for further EDMO or other high level enforcement action

#### **Review of Performance and Outcomes**

- 18. Empty homes (total and long term) in Central Bedfordshire have reduced since April 2009. The Council contacted owners of all properties empty for more than 1 year since November 2010 but more frequently contact owners of properties empty for 5 years or more, or those that have been the cause of complaint (Priority register). Appendix 1 indicates the number of empty homes in recent years. This represents approximately 1.95% of all homes in Central Bedfordshire.
- 19. PSH measures activity and number of long term empty homes returned to occupation within the performance management framework. In 2010/11, 20 long term empty homes were returned to occupation. To date in 2011/12, 23 long term empty properties have been returned to occupation.
- 20. The numbers of homes returned to occupation represents approximately 10% of the priority register each year and should be welcomed. There is no current benchmarking of this performance but it is proposed to initiate benchmarking within the Beds, Herts and Bucks Empty Homes Forum within the next 6 months (after April 12 statistics are obtained). Potentially this could be extended to CIPFA family local authorities.
- 21. Executive previously agreed to the harmonisation of Council Tax discount policy for empty homes. This was implemented in April 2011. The Head of Revenues and Benefits states that the Council have raised additional charges of approximately £432K and that the Council normally receive more than 99% of Council Tax charges.
- 22. The Council have recently been successful in a bid for £200K Government empty homes funding. This funding will be used for non enforcement solutions. The target is to return 24 empty homes back into use between 2012 and 2015, primarily as part of a leasing scheme with Genesis homes, which will help deliver good quality rented accommodation at affordable rents. This scheme is separate to the proposals for enforcement action.

## **Review of Empty Dwelling Management Order Action**

- 23. Executive approved the progression of action on 5 identified long term empty homes in the south of the area. The current situation is stated below for each property.
  - (a) Totternhoe (Dunstable) the owner died suddenly and the property was sold, renovated and re-occupied in late 2010.
  - (b) Hockliffe Road, Leighton Buzzard Final EDMO's were approved and
  - & works began in partnership with Genesis Housing Association in January
  - (c) 12. The solicitor acting as Executors have been co-operative and these properties have been a good first test of the EDMO process.
  - (d) Houghton Regis an application for EDMO was made. The owner objected but at the same time the property became illegally occupied, which negated the ability to determine the EDMO (a squatted property is exempt).
  - (e) Caddington. This is the most problematic and costly. Significant evidence has now been obtained and final preparations are being made to ensure that an EDMO application is made before end of March 2012.
- 24. Lessons have been learned about the EDMO application, which is a lengthy process, and requires long lead in time. The application the Caddington property will be challenged, which will provide further learning for future applications, most of which will be challenged.
- 25. The Council is also testing the partnership agreement with Genesis housing association. This will help determine arrangements for future EDMO properties. In Sept 2009, Executive agreed to the partnership with Genesis (formally known as Pathmeads) on the basis of testing the partnership with the five properties above. It is intended to continue with Genesis as market testing has not currently found an alternative housing association that provides the same leasing/management service for empty private homes.

## **Proposals for Further Enforcement Action**

- 26. Empty homes on the priority register have been assessed and "scored" against certain criteria to provide a "top ten" for further action. The criteria mainly relate to the effect of the property on the neighbouring community, but also the length of time empty and the property condition. A detailed list of criteria and the top 10 scored properties against these criteria are contained in appendix B, which also provides the 6 recommended properties for EDMO (or high level enforcement action).
- 27. A summary of the properties and some photo's are contained in appendix C. This outlines that some of these high priority properties are not suitable/appropriate for higher level enforcement action but indicate the range of issues facing the Council.
- 28. A briefing note on the non enforcement, Government funded scheme for 2012/15 is attached as appendix D. This scheme will be separate and additional to the proposed enforcement action.

- 29. The capital programme business plan includes a budget of £160K net for 2012/13. This will be used towards renovation costs of successful EDMO/CPO cases. The business model for EDMO's includes repayment of the capital renovation costs through rent collected during the lifetime of the EDMO lease (maximum 7 years). In addition, Genesis housing association will provide £20K per property under the current framework agreement.
- 30. There is a risk of non delivery of the programme due to the length of time needed to progress applications for enforcement action, in particular where they are challenged.

# Appendices:

Appendix A – Number of empty homes Central Bedfordshire

Appendix B – Scoring criteria and "top ten" priority empty homes for action

Appendix C – Summary of top ten empty homes current situation

Appendix D - Briefing note on the non enforcement, Government funded scheme for 2012/15

**Background papers and their location:** (open to public inspection)

Empty Homes strategy 2010 – 15 (on Website)
Empty Homes strategy equalities impact assessment (Watling House)
Executive report 2 November 2010
Executive Report September 2009