
Meeting: Executive
Date: 15 May 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 Executive review and note performance in tackling empty homes in Central Bedfordshire and approve the commencement of high level enforcement action for high priority empty homes.

Advising Officer: Julie Ogle, Director of Social Care Health and Housing
Contact Officer: Nick Costin, Head of Private Sector Housing
Public/Exempt: Public
Wards Affected: All
Function of: Executive
Key Decision Yes
**Reason for urgency/
exemption from call-in
(if appropriate)** N/A

CORPORATE IMPLICATIONS

Council Priorities:

The report supports the Council Priorities;

- Supporting and caring for an ageing population
- Managing growth effectively
- Creating safer communities

Financial:

1. 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 (maximum 7 years). Genesis Housing Association will invest £20K per property under the current framework agreement, which is also recoverable through rent collected. The Council received notification on 5 March 2012 that a bid for £200K Government empty homes funding was successful. This funding will be used primarily for non enforcement solutions.

2. 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:

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

Risk Management:

4. 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.
5. These risks are minimised through joint working between Housing Services and Legal and Democratic Services, and through the learning from current experiences.
6. 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 September 2009.

Staffing (including Trades Unions):

7. Not Applicable.

Equalities/Human Rights:

8. 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.
9. 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.

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

Public Health:

12. 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:

13. 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:

14. 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:

15. The current partnership agreement with Genesis Housing Association enables the Council to use the contractors who have successfully obtained the contract with Genesis. These contractors are currently being tested on the current EDMO properties. Market testing in December 2011 failed to identify any further Housing Associations willing to provide the Council with the same services as Genesis.

Overview and Scrutiny:

16. This matter was considered by Social Care, Health and Housing Overview and Scrutiny Committee on 12 April 2012, who noted the achievements obtained to date and noted the recommendations to present further empty homes for enforcement action to Executive.

RECOMMENDATIONS:

The Executive 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. approve the commencement of further high level enforcement action in respect of the properties identified in Appendix B; and**
- 3. consider the issue of empty public buildings and the approach that the Council should take in influencing partners to address the issues concerned.**

<i>Reason for Recommendations:</i>	<i>To enable the Council to progress further high level enforcement action in respect of the highest priority empty homes that are blighting neighbourhoods.</i>
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Executive Summary

17. 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. This report includes a summary of progress on those 5 homes.
18. The Housing 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 high level enforcement action.
19. The number of empty homes in Central Bedfordshire has fallen since 2009 but at April 2011 there were still approximately 2,000 empty homes, of which 1,000 were empty for 6 months or more.
20. The Council have been successful in an application for Government funding to tackle empty homes. This funding (£200K) is intended to bring a further 24 homes back into use between 2012 and 2015 and will complement the recommended high level enforcement action.
21. A report was presented to Overview and Scrutiny Committee on 12 April 2012. the achievements and details of properties being recommended to Executive for further high level enforcement action were noted.

BACKGROUND INFORMATION

22. 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) was made in March 12

23. 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.
24. 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.
25. Empty public buildings can also have a negative impact on the neighbouring community and may attract unwanted attention as well as being a wasted resource. Whilst Housing Act powers are not appropriate for non residential properties, the Council may consider use of non housing legislation where informal negotiation property owners/partners fails to progress the return of public buildings back into use.

REVIEW OF PERFORMANCE AND OUTCOMES

26. 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 A indicates the number of empty homes in recent years. This represents approximately 1.95% of all homes in Central Bedfordshire.
27. 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. In 2011/12, 23 long term empty properties have been returned to occupation.
28. 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 Bedfordshire, Hertfordshire and Buckinghamshire Empty Homes Forum within the next 6 months (after April 2012 statistics are obtained). Potentially this could be extended to CIPFA family local authorities.
29. 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.
30. The Council have recently been successful in a bid for £200K Government empty homes funding. This funding will be used primarily 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.

REVIEW OF EMPTY DWELLING MANAGEMENT ORDER ACTION

31. 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) Totterhoe (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 2012. The solicitor acting as Executors have been co-operative and these properties have been a good first test of the EDMO process.
 - (c) 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).
 - (d) Caddington. This is the most problematic and costly. Significant evidence has now been obtained and an EDMO application was made in March 2012. If the EDMO application is unsuccessful, the Council can consider the use of Compulsory Purchase powers.
32. 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.
33. The Council is also testing the partnership agreement with Genesis housing association. This will help determine arrangements for future EDMO properties. In September 2009, Executive agreed to the partnership with Genesis (formally known as Pathmeads) on the basis of testing the partnership with the five properties above. Market testing in December 2011 failed to identify any further Housing Associations willing to provide the Council with the same services as Genesis.

PROPOSALS FOR FUTHER ENFORCEMENT ACTION

34. 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).
35. 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.

36. 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.
37. 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.

Recommended Next Steps

38. It is recommended that the Council initiate high level enforcement action in respect of the properties identified in Appendix B below.

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 – Empty Homes Government Funding

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

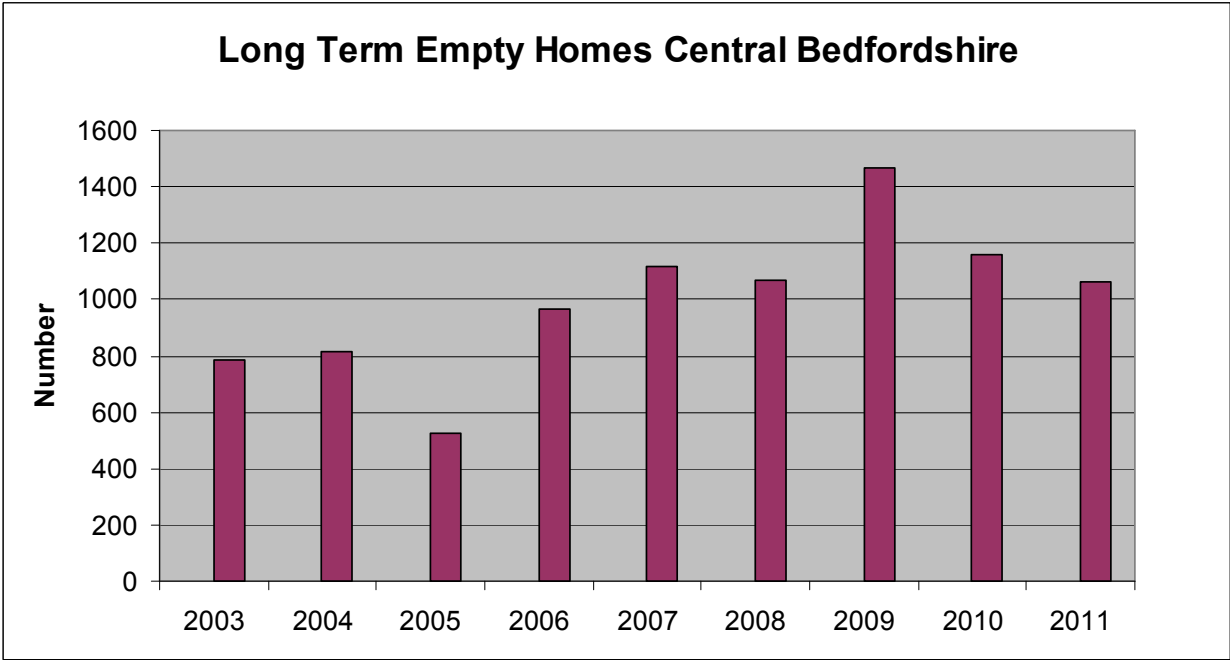
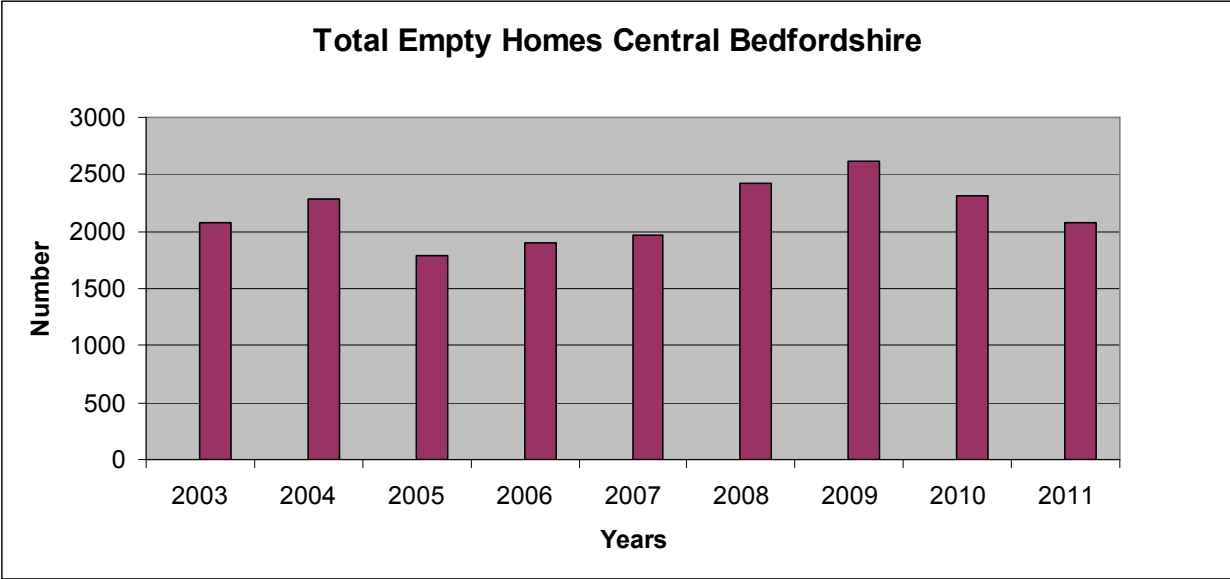
Empty Homes strategy 2010 – 15 (on Website)

Empty Homes strategy equalities impact assessment (Watling House)

Executive report 2 November 2010

Executive Report September 2009

Appendix A - Total Number of Empty homes



Appendix B Scoring criteria and “top ten” priority empty homes for action

Empty homes criteria for assessment

- a) length of time property has been empty
- b) Number of complaints received about the property
- c) Level of impact upon the surrounding neighbourhood
- d) State of disrepair to the property
- e) Likelihood of attracting environmental/anti social behavioural problems
- f) Local housing demand (confirmed with Housing Needs team)
- g) Potential to improve immediate area if brought back into use

Top ten scoring properties against above criteria

Property A, Houghton Regis – score 20

Property B, Potton – score 17

Property C, Shefford – score 16

Property D, Great Northern Road, Dunstable – score 16

Property E, Houghton Regis – score 16

Property F, Dunstable – score 16

Property G, Maulden – score 16

Property H, Dunstable – score 15

Property I, Cranfield (2 together) – score 15

Property J, Shillington – score 14

For reasons given below in appendix C, the following properties only are recommended for high level enforcement action (EDMO, CPO or Enforced sale) and will be presented as such.

Property A, Houghton Regis

Property B, Potton

Potentially Property C, Shefford

Property E, Houghton Regis

Potentially Property F, Dunstable

Property G, Maulden

Potentially Property J, Shillington

Appendix C – summary of top ten empty homes current situation

Property A Houghton Regis



Property has been empty since at least 2004.

The condition of the property has significant negative impact on the immediate neighbourhood and is the subject of numerous complaints

The owner is abroad, last known address was in Cyprus now possibly in France in France.

Property in poor condition and has been subject of arson, vandalism and fly tipping

There are outstanding costs for environmental works undertaken by the Council of £3,695

Property B, Potton



This is a three bedroom end of terrace property situated in Potton.
It has been empty for 15 years.
The Council has received numerous complaints.
It is in a poor state of repair externally

Property C, Shefford.



The property is in poor state of repair and has been empty for more than 5 years.
It attracts rubbish and several complaints have been received
It was part of a failed planning app (part of a larger scheme)
Officers are currently trying to progress an Empty Homes Loan with owner, however it has been put on hold recently due to his ill health

Property D, Dunstable



This is a large ex bed and breakfast property, which became empty following a fire in 2007/2008

The property is semi derelict and is subject to anti social behaviour

The owner has been very ill and out of the country for several years

It is currently for sale and the extent of work required to what was a commercial property makes it unsuitable for EDMO action. However, other possible options need to be explored, such as possible CPO or development of a scheme with a Housing Association, due to its size.

Property E, Houghton Regis



Property empty since at least 2005

The owner is thought to be in residential care but her location is not known

The condition is deteriorating and likely to attract anti social behaviour and fly tipping as it worsens.

Property F, Dunstable



Property is in a block of four, two of which are empty.

This property is currently in probate.

Property G, Malden



Property is poor condition and attracting vandalism and refuse
Empty over 5 years
Owner not absent and occasionally still checks property
EDMO potentially suitable

Property H, Dunstable



Detached property

Garden is overgrown and is badly neglected.

Complaints received in the past, but not recently.

Property is part of a local redevelopment plan although no progress since June 2010.

This may make it unsuitable for EDMO or CPO action unless further period of inaction.

Property I, Cranfield (2 together)



Cranfield University owned properties. They are derelict and have been empty for more than 10 years

No complaints but they are very visible from the road

The University has recently secured LDF residential redevelopment for the site containing these 2 properties and is in the process of drawing up a scheme for planning permission. **For this reason the properties are not appropriate for EDMO action.**

Property J, Shillington



Empty for at least 15 years

Derelict but under a conservation order/grading

Currently second attempt to get planning permission for larger homes on site incorporating the structure

No complaints received

Due to its condition, not suitable for EDMO but possibly CPO if no progress with planning application

Appendix D - Briefing Note - Empty Homes Government Funding

Introduction

Tackling empty homes is one of the Coalition Government's policy priorities. As part of the Comprehensive Spending Review in October 2010, the Government announced a £100m fund to bring more empty homes back into use. Central Bedfordshire Council submitted a bid for £200,000 and on 2 March 2012 the Home Communities Agency confirmed they would like to enter into a contract with Central Bedfordshire Council for the full amount.

Empty Homes Funding scheme

The funding will be used towards bringing 20 empty homes back into occupation using a Lease & Repair Scheme. The Council will offer long-term empty property owners £8,000 per unit/property to be used for repair and refurbishment for a 10 year lease and the Council, on average, expects to contribute the same towards cost of works for refurbishment in the form of Empty Homes Loan Assistance. For 5 year leases, the proposal is for £6,000 per unit.

Central Bedfordshire Council has a partnership agreement with Genesis Housing Association, primarily to use their management services, where required. Several other Housing Associations were approached to test the market in this area of work but we were unable to find an alternative association will to be associated with the bid. The Council has an enabling role to bring together owners and Genesis.

Some of the funding will also be used towards the purchase and conversion of 2 non-residential empty units, which were previously used by Children's Services. Both properties are located in residential areas, and were previously used as office accommodation. The proposal is for Housing Services to acquire and refurbish them into a total of 4 self contained flats, two 2 bed and two 3 bed accommodation. £60,000 of the funding is allocated for this proposal, which equates to £15,000 per unit created.

Meeting Local Needs

The aim of the Empty Homes funding is to bring long-term empty homes back into use in the areas where properties are most in need. In 2009 Central Bedfordshire had approximately 500 households on its waiting list. By January 2012 this number has increased to 2,039.

The areas identified with the largest concentration of long-term empty properties, and a high number of bids on the last 'choice based lettings' cycle are Leighton Buzzard, Dunstable and Biggleswade. Houghton Regis was also included due to the Needs Assessment identifying a large number of applications for this area, and its proximity to Dunstable.

Summary of approach

Longer term empties can blight neighborhoods; they attract anti-social activities and can decrease the value of neighboring properties. The main priority is to tackle those that have been empty for 5 years or longer and currently 2 properties in Leighton Buzzard are being refurbished under final Empty Dwelling Management Orders (EDMO's). A third application for EDMO is currently being made. A further 6 properties have been

identified for priority action and possible EDMO applications in 2012 (report being presented to Overview and Scrutiny Members in April 2012).

With the Government funding the Council will look at 'intermediate' properties, those which are not dilapidated but require works in order to bring back into residential use. In the four areas proposed, the average length of time empty is 3 years and 6 months, so it is likely that a number of properties will meet the "intermediate" definition. The Government funded scheme will compliment the enforcement activity.

The Council will use Council Tax data and local knowledge from our Planning colleagues to identify properties and then more specifically identify 2 and 3 bed properties which are those most desired by Housing applicants within the 'Choice Based Lettings Scheme'.

Owners of empty homes will be contacted and advised about the potential funding available under the Empty Homes programme. The Council would undertake initial inspections, loan assistance applications, and refer to Genesis for Lease negotiations.

There will be 100% nomination rights for Central Bedfordshire Council.

The "deal" for empty home owners is that there is opportunity to completely renovate their properties at no capital cost to owners, in return to agreeing a 5 or 10 year lease with Genesis Housing Association. There may be a small rental income in circumstances where Genesis management costs are exceeded by rental income, which is to be set at Affordable Rent levels (up to 80% of market rent).