

ADOPTION OF THE EMPTY HOMES STRATEGY

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Portfolio: Regeneration, Planning & Town Centres

Ward(s) affected: All

Purpose of the Report

To enable Members to consider the Empty Homes Strategy. The report outlines the main aims and objectives of the strategy and highlights ways in which the Council may seek to tackle empty homes in the Borough.

Recommendation

That Members adopt the Empty Homes Strategy 2012-17.

Reasons

The Council's current Empty Homes Strategy ceases this year, it is therefore appropriate that the Council reviews our approach and considers ways in which it may be appropriate to tackle the problem of empty homes.

1. Background

- 1.1 The Council's current Empty Homes Strategy expires this year and it is appropriate that the Council considers adopting a new strategy. Officers have completed a new strategy to cover 2012-17 following a consultation period.
- 1.2 All empty homes represent waste, financial expense and missed opportunity. They can blight communities, attract fly tipping, vandals and squatters and tie up the resources of the Council and the emergency services. Bringing empty homes back into use is also a sustainable way to meet future housing demand and helps to alleviate pressure to develop green field sites. Bringing long-term empty homes back into use has a positive effect on the whole community.
- 1.3 The number of empty homes in England has declined steadily from a high of 869,000 in 1993 to 660,000 in 2006 however the number had increased again in 2011 to 720,000. Currently 279,000 of empty homes in England are long-term empties of six months plus. There remains a significant and long standing problem of empty homes, particularly those in the private sector which accounts for over 80 per cent of all empty homes.
- 1.4 Within Newcastle Borough in 2011/12 there were 1,827 empty homes; 1,725 in private ownership, 102 owned by Housing Associations. 655 private homes were empty for more than 6 months of which 312 of those have been empty for more than two years.

2. Issues

- 2.1 The Council has taken a proactive approach to tackling Empty Homes since the adoption of the current strategy. The new strategy recommends continuing this approach. In addition it highlights that efforts will principally be focused on the problematic properties which are usually those houses which are inactive in the housing market, often in poor condition and empty for six months or more. This definition usually allows enough time for market forces

to return an empty property into use without intervention from an external agency. Taking this into account the strategy states:

The aim of the strategy is to bring empty properties back into use. To achieve this we have identified the following three key priorities:

- To encourage and support owners of properties empty for more than six months to bring them back into use.
- To proactively target empty properties that are causing problems for neighbours and the community, for example eye sore properties and those that are in a state of disrepair, using enforcement where appropriate.
- To proactively target long term empty homes of more than two years by using appropriate enforcement actions if all other avenues have been exhausted.

- 2.2 Officers are aware that all Council services need to be efficient and effective, the services offered in relation to empty homes have therefore been considered and the strategy has been drafted in order that the processes are both efficient and effective. It is important to recognise that whilst empty homes are a wasted resource in the community and often are regarded by neighbours as a problem when the properties aren't maintained there is often a home owner experiencing personal issues leading to the empty home. It is therefore recommended that the service therefore takes a firm but considerate approach to tackling empty homes.
- 2.3 Whilst, whenever possible, voluntary measures will be used to encourage owners to bring properties back into use, it must be recognised that in some cases owners will refuse to co-operate and enforcement action will be necessary. The statutory action which can be taken will depend upon the condition and location of a property and the circumstances of the owner. Properties in a poor condition which are a hazard to the health and safety of the public will be a prime target for enforcement action. The Strategy highlights a whole range of enforcement action that can be taken.
- 2.4 The costs of tackling empty homes vary greatly upon the type of problems that each home has, generally the longer the property is left empty the less maintenance is undertaken and therefore the costs of repair are greater for long term empties. Where significant financial resources are required or compulsory purchase/enforced sale are recommended by officers then the case will be reported to the Public Protection Committee or Portfolio Holder for authorisation. Should significant costs be expected in taking action against a specific individual property the case will be assessed on its merits prior to taking a decision as to how to proceed. As it can be costly to take action, whether by default or legal proceedings the Council will seek to keep costs to a minimum level and reclaim costs incurred from home owners.
- 2.5 The strategy recommends that the Council will wherever possible seek to work in partnership with appropriate agencies to maximise expertise. Where opportunities arise the Council will seek to establish appropriate partnerships and make funding bids to secure external funding.
- 2.6 Members may consider it appropriate that the Strategy identifies a performance target to measure the implementation of the strategy. Taking into consideration the current staffing resources and the potential usefulness of the proposed actions, the strategy outlines a performance indicator of 'We aim to bring 75 empty properties of which 10 will have been empty for two years or more back into for each year of the Strategy'.

- 2.7 Members of the Economic Development and Enterprise Overview and Scrutiny committee considered the draft strategy on Monday 17 September, 2012. Members questioned whether there was a risk of wasting money by moving forward with enforcement action and being unable to claw back the money. The members were advised that there were safeguards in place to enable the council to claw back money as a charge. The members were also advised that if a property was the subject of a Compulsory Purchase Order, the council would sell the property on and therefore claw back the money. Members may consider it appropriate to spend money in order to gain a return on investment and also improving the neighbourhoods blighted by problematic empty properties within the Borough. Members also questioned whether Housing Associations were willing to purchase empty properties to add to their own supply of housing stock. Aspire Housing are currently purchasing empty properties but they have a limited budget per property, therefore some of the worst empty properties would not be suitable for purchase.
- 2.8 Following the consultation period a number of comments were received regarding the strategy from members of the public and residents associations. Comments included questioning of the amount of empty properties due to be bought back into use each year not being in line with the increase of homes becoming empty within the borough since the last strategy. Although the number of properties becoming empty has increased the target of how many properties that will be bought back into use is not solely based on the number of properties that have become or are becoming empty but is fundamentally affected by the capability and the capacity of the Council. The target of 75 has been set as this is believed to be a realistic and an achievable target with the resources currently available.
- 2.9 The approaches that are outlined in the strategy have received a positive response and comments were received to support them. As a result of the online consultation there was only one person who disagreed with the key approaches, however they did not leave a comment to the reason why they disagreed. It was highlighted that it is expected that sufficient resources should be made available to achieve the targets.
- 2.10 A number of comments were made suggesting that the council work with the private sector to advertise empty homes that are for sale and with private investors to bring homes back into use. These suggestions will be discussed and considered as part of the delivery plan going forward.
- 2.11 As part of the consultation, representation was made that the Council should consider utilising the Council Tax system to encourage people to return their empty properties back into use. This is currently delivered through the removal of the maximum empty homes discount after 6 months. This means that after 6 months full Council Tax is charged. Under the proposed Council Tax Technical Reforms 2013 the legislation will allow for an additional charge to be levied against a long term empty property, this will enable the Council to charge 150% Council Tax on properties empty for more than 2 years. A report outlining the options and making recommendations on the Council Tax changes will be made to Cabinet early in the new year.

3. **Options Considered**

- 3.1 Cabinet members to consider and adopt the revised Empty Homes Strategy 2012-2017.

4. **Proposal and Reasons for Preferred Solution**

- 4.1 There is no real alternative to the Council having a clear published Empty Homes Strategy which details its approach in ensuring that empty properties within the Borough are brought back into use. By not having a clear and detailed strategy to address the issues, the number of empty properties would present an ever increasing burden on communities, residents and

Council resources. There will also be reputational damage to the Council if the decision is made to not adopt an Empty Homes Strategy and implement appropriate action.

4.2 It is proposed that Cabinet adopts the final revised Strategy.

5. **Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

5.1 Tackling empty homes clearly contributes to sustainable communities and all of the corporate priorities.

- Creating a Cleaner, Greener and Safer Borough-by reducing dereliction, vandalism, litter and anti social behaviour such as damage, theft and arson.
- Creating a Borough of opportunity- by improving market values and the attractiveness of areas adjoining vacant homes reducing a spiral of decline and helping increase the number of residents who feel the Council is making the area a better place to live.
- Creating a Healthy and Active Community –by ensuring access to a range of quality homes.
- Transforming our Council to achieve excellence - by working in partnership with relevant organisations, together with taking effective and efficient enforcement action will deliver dwellings which can be occupied.

6. **Legal and Statutory Implications**

6.1 The strategy outlines legislation under which the Council can take enforcement action to tackle the problems associated with empty homes.

7. **Equality Impact Assessment**

7.1 An Equality Impact Assessment has been drafted to reflect the Strategy.

8. **Financial and Resource Implications**

8.1 The proposed approaches will require officer time which is currently budgeted for within the housing service. The amount of capital resources allocated annually by the Council will be dependent upon the Housing Capital Programme.

8.2 Bringing homes back into use will increase the amount of New Homes Bonus payment that the Council receives from Local Government. If the strategy is not adopted this would have a direct effect on the amount of income that the council receives.

9. **Major Risks**

9.1 There will be significant reputational damage to the Council if the decision is made to not adopt an Empty Homes Strategy and implement appropriate action.

10. **Key Decision Information**

10.1 This affects more than 2 wards and is on the Forward Plan.

11. **Earlier Cabinet/Committee Resolutions**

11.1 The current Empty Homes Strategy was adopted by Cabinet in March 2008.

12. **List of Appendices**

None

13. **Background Papers**

The Empty Homes Strategy 2012-17.