

# **BUSINESS SUPPORT OVERVIEW & SCRUTINY COMMITTEE**

**4 FEBRUARY 2014**

## **EMPTY PROPERTIES**

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### **Summary**

**The Committee requested a report outlining the current situation in respect of long-term empty private properties along with details of the Council's approach in dealing with such properties. This report seeks to provide that information.**

#### **1. Budget and Policy Framework**

- 1.1 The approach to bringing empty homes back into use is set out within the Council's Housing Strategy, which was adopted in 2011. This states that the Council will continue to work with owners primarily where properties present a risk to adjoining properties and with housing providers and landlords to encourage properties to be brought back into use.
- 1.2 Due to changes in the funding regime, capital funding from central Government is no longer available to Local Authorities. The Government has however made some money available to Registered Affordable Housing Providers for Purchase and Repair type schemes, where they purchase empty homes and bring them back to use as affordable homes. Funding for this is limited and revised value for money assessments, mean that there has been a reduction in the number of homes eligible for this of type of assistance in Medway.
- 1.3 Where homes are not brought back into use through negotiation or where the issues are severely affecting the community or other households the Authority has powers to deal with them this report sets the number of properties that have been affected by the approach.

## 2. Background

- 2.1 Most empty properties are quickly re-occupied but some remain vacant for longer periods. Homes may be kept empty for a range of reasons including the admission of the owner to care or hospital, probate, improvement or just the normal process of selling and renting homes. Where homes remain vacant for more than six months they are considered long term empty homes.

## 3. Long Term Empty Homes

- 3.1 As of the 31 December 2013, there were 823 long-term empty private homes in Medway, this equates to 0.87% of all private sector homes. The table below shows the percentage of long-term empty homes in Medway each year since 2006/2007.

Year	% of total private sector homes vacant for more than 6 months
2006/7	1.61%
2007/8	1.62%
2008/9	1.57%
2009/10	1.41%
2010/11	1.37%
2011/12	1.38%
2012/13	1.33%
2013/14 Q3	0.87%

- 3.2 Recent Government figures indicate that nationally the total number of long term empty homes is at its lowest recorded rate ever, a situation, which is repeated in Medway. The figures are reported within government statistics on calculations for New Homes Bonus Allocations and are derived from Council Tax data.
- 3.3 Medway Revenues and Benefits Service (MRBS) has for many years undertaken periodic inspections of all empty domestic properties in order to ensure that appropriate council tax charges are raised. This has recently been supplemented by assistance in inspections by the Council's wardens. In addition this financial year MRBS utilised the CapacityGRID Empty Homes Review service provided by external providers Liberata for the period June 2013 to September 2013 in order to maximise the Empty Homes grant funding which is based upon data as at 1 October 2013 . This review involved data matching to third party data to identify indications of property occupancy. This was followed up by a targeted letter and telephone review. If the survey letter was not returned a property inspection was then undertaken. It is this work that has the greatest impact on the reduction in numbers recorded.
- 3.4 Overall there has been a reduction of 45% in long-term empties from 2006/2007. The number is currently well below the national average; and based on the most recent statistical information is lower than the average Kent level of 1.37%, whilst at an individual authority this level rises significantly with Thanet recording 1.99% and Shepway with 1.74%. Levels for other areas include Brighton with 0.87%, Peterborough with 0.82%.

#### 4. Bringing Empty Homes Back into Use

4.1 The table below sets out how many empty homes have been brought back into use following direct interventions by the Council's Strategic Housing Services since 2010/11 along with details of which type of intervention achieved this.

	2010/11	2011/12	2012/13	2013/14 to Q3
Deposit Bond	54	93	133	85
Redevelopment	23	67	54	7
P&R	31	13	12	1
Financial Assistance, Advice & Enforcement	27	7	6	3
Total	135	173	205	96

4.2 Further explanation of these interventions is provided below:-

- Deposit Bond Scheme (Home Bond) – Provision of a deposit or bond for a private landlord where a person approaching the Council as homeless is accommodated, when brought back into use.
- Redevelopment as affordable housing – The Council works with owners to allow a property to be purchased by a Housing Association demolished or redeveloped as affordable housing.
- Purchase & Repair – In partnership with Housing Associations funding has been secured from the Homes & Communities Agency to allow a property to be purchased and repaired.
- Financial Assistance, Advice & Enforcement – Working with private landlords with financial assistance for landlords previously funded by CLG funding no longer available and enforcement where the offer of any of the previous options was not taken up.

4.3 Since 2010/11 a number of the funding sources previously open to support work are either no longer available or have been reduced, including those from the Homes and Communities Agency for Purchase & Repair Schemes and from the Government for Grants & Loans to landlords.

4.4 In light of this, combined with the reduction in funding and role of Local Authorities role in dealing with energy efficiency a decision was made to disband the Council's Empty Homes and Energy Efficiency Team. However as the table illustrates the Council continues to work to deal with empty homes.

## 5. Risk management

- 5.1 The Council has a range of powers and duties in respect of empty properties and decisions in respect of individual properties are made within the context of the Council's Housing Strategy and its legal duties and powers.

<b>Risk</b>	<b>Description</b>	<b>Action to avoid or mitigate risk</b>
Application of the Powers described within the report	The Powers described within the report must be applied in a considered approach taking into account the individual circumstances of each case.	To avoid the inappropriate application of the Council's Powers.

## 6. Financial implications

- 6.1 The interventions and options available to the Council may involve expenditure and each case is dealt with on its own merits within the context of the Council's adopted strategies, plans, legal duties and powers.

## 7. Legal implications

- 7.1 Many of the powers available to the Council are subject to the right of appeal to the courts. Some of the actions require an application to be made to the court by the Council.

## 8. Recommendations

- 8.1 The Committee is requested to consider and note the report.

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