

Bath & North East Somerset Council

MEETING/ DECISION MAKER:	Housing & Major Projects Policy Development & Scrutiny Panel	
MEETING DATE:	23rd September 2014	EXECUTIVE FORWARD PLAN REFERENCE:
TITLE:	Empty Property Policy Update	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report:		
None		

1 THE ISSUE

- 1.1 In January 2013 the Council formally adopted an updated Empty Property Policy. This policy articulates the Council's twin track approach of providing encouragement and assistance to all owners of empty properties to help bring their properties back into use whilst at the same time seeking to select high priority empty properties for bespoke assistance and potentially enforcement action. The purpose of this report is to update the panel on the progress made with implementing this policy.

2 RECOMMENDATION

- 2.1 To note the report

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 3.1 The staff resource required to deliver the empty property policy includes 0.5 FTE Empty Property Officer and some management support; the cost of this is covered by the approved Housing Services budget. Costs of producing leaflets are also included within this budget.
- 3.2 The recovery of empty homes is eligible for the New Homes Bonus funding (NHB); this work stream has already generated cumulative NHB funding of £635,289 over the period 2011/12 to 2014/15 based on the 105 net empty homes brought back into use since the start of the NHB scheme. Future NHB funding will depend on any changes in numbers of empty homes and any changes to the NHB scheme.
- 3.3 All actionable empty homes owners are offered a £500 grant for work to help bring the home back into use; to date £3,035 has been paid and this is funded by the approved Housing Services Remedial Repairs budget.
- 3.4 For high and medium priority empty homes, a loan of up to £30,000 is available for work to bring the home back into use. The loans are offered via a partner organisation, Wessex Home Improvement Loans. To date £30,000 has been paid out. The repayment mechanism for this loan is over 10 years at an interest rate of 4%.
- 3.5 In June 2014 Cabinet approved the £1.015m Affordable Housing capital budget. This budget includes supporting work on tackling empty homes, such as funding Compulsory Purchase Orders.

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

4.1 Local Authorities have a range of duties and powers to promote economic wellbeing, improve health impacts and reduce inequality within their area. The Empty Property Policy is a mechanism designed to assist in achieving these outcomes.

4.2 In addition:

- Section 3 of the Housing Act 2004 requires Local Authorities to keep housing conditions in the area under review.
- Section 17 of the Housing Act 1985 gives power to acquire land, houses and other properties compulsorily for the purposes of (amongst other things) bringing empty properties into housing use and the improvement of substandard or defective housing.
- The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 gives the Council powers to provide assistance that improves housing conditions in the area.

5 THE REPORT

5.1 In September 2013, the Council adopted a revised Empty Property Policy. This policy focuses Housing Services resources on those homes which are likely to

require intervention to bring them back into use. The policy defines an empty home as one which has been empty for over 6 months and an actionable empty home as one that has been empty over two years. Homes empty less than two years are likely to come back into use without Council intervention. Homes empty over 2 years are subject to a Council Tax charge of 150%. This charge is to encourage owners to bring their empty home back into use and therefore, our resources are aligned to those homes receiving a premium charge. The Policy uses the following twin track approach to bring empty homes back into use:

- Provide advice, assistance and incentives to all empty home owners; and
- Prioritise homes which have been empty for over 2 years (these are known as actionable empty homes).

The Policy further provides that Housing Services will respond to complaints from the public about empty homes.

5.2 During 2013/14, 89 actionable empty homes were brought back into use reducing the number of actionable empty homes to 143. During the current financial year to date, 41 actionable empty homes have been brought back into use and the number of actionable empty homes stands at 157.

5.3 Actionable empty homes are prioritised using a points based system which is based on a combination of length of time empty, property condition and the impact on the local community to give a points score. Properties are then grouped into high, medium and low priority groups. Based upon the latest information there are:

- 16 high priority homes
- 35 medium priority homes
- 106 low priority homes

5.4 Regardless of priority, all empty homes owners are contacted and offered advice and assistance to bring these homes back into use including:

- A bi-annual newsletter and dedicated website www.no-use-emptywest.co.uk run with our West Of England colleagues allowing free advertising of empty homes for sale, reporting of empty homes, case studies and advice for empty home owners
- Contacting all empty home owners to encourage the effective use of the property, inform them of their options and provide free advice if required, including visits by the empty homes officer,
- For those homes empty over 5 years, VAT reduction on refurbishment work.
- All actionable empty home owners are offered a £500 grant for work to help bring the home back into use.
- For high and medium priority empty homes, a loan of up to £30,000 is available for work to bring the home back into use

5.5 The owners of high priority empty homes are contacted specifically and encouraged to take action to bring their homes back into use. Since the introduction of the original Policy in 2011, in total four high priority homes have been brought back into use, reducing the original list of 17 by one quarter. Action taken on these four high priority homes includes provision of grant assistance, advertising homes for sale, joint working with Planning and Environmental Protection which has resulted in the service of Notices under the Town and County Planning Act section 215 given the detrimental effect these homes are having on the amenity of the neighbourhood.

5.6 Bringing back four high priority empty homes has allowed Housing Services to work more intensively on medium priority empty homes.

Achievements since the adoption of the Empty Homes Policy in 2010 are shown in the table below.

Year	Number of homes brought back into use following contact with Housing	Empty homes initiatives
2011/12	44	Launch of No Use Empty website with a B&NES case study
2012/13	160	Introduction of small grants and loans as incentives
2013/14	89	Drop in surgery for advice in Bath one stop shop 5 grants approved
2014/15	41 (to 31 August 2014)	Approval of 1 st loan 2 grants approved Housing Services / Council Tax review of actionable empty homes

They also include:

- Surveying over 500 properties and sending out over 3000 news letters to empty home owners;
- Bringing a total of nearly 300 empty homes back into use following contact with Housing Services contributing to the generation of New Homes Bonus for the Council.

5.7 Where there is no prospect of high priority homes being brought back into use, further action including enforcement action may then be taken in accordance with the Policy where the following four criteria are met.

- The Council has made numerous attempts to engage with the owner, all reasonable offers of assistance have been made and these offers have not been acted upon; and
- There is no prospect of the house being brought back into use by the owner within a reasonable period; and
- There is a housing need and / or the property is causing a significant problem in the local neighbourhood; and
- A cost benefit analysis demonstrates that enforcement action is both financially viable and appropriate

5.8 The above four criteria for taking enforcement action were met in relation to two high priority properties. . As such on 11 September 2013, Cabinet authorised the Council's use of a Compulsory Purchase powers for these two properties. Following a significant amount of ground work and preparation the Order was served and advertised on 31 July 2014. The objection period has now concluded and to date the Secretary of State has confirmed that no objections have been received.. The Secretary of State will therefore be invited to confirm the Order.

5.9 Since serving the Order, one owner has contacted the Council with regard to an agreed sale and negotiations are underway.

5.10 Housing Services have made contact with affordable housing providers interested in purchasing these homes to ensure the two homes subject to the Order are brought back into use. It is hoped that agreement will be reached with an affordable housing provider following a viability assessment. This assessment requires access to the properties and can only take place by agreement with the owners or once the authority takes possession. In the case of the owner who has entered negotiations it has been agreed that access can be arranged for the viability assessment to take place.

5.11 A condition will be included in the contract of sale which requires the homes to be brought back into use within a finite period of 2 years.

6 RATIONALE

6.1 To update the panel.

7 OTHER OPTIONS CONSIDERED

7.1 None

8 CONSULTATION

8.1 This report is merely providing an administrative update for the panel and so no wider consultation has been undertaken. However, extensive consultation was undertaken in relation to supporting the development of the Empty Property Policy.

9 RISK MANAGEMENT

9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

Contact person	<i>Katherine Coney 01225 396736</i>
Background papers	<i>List here any background papers not included with this report, and where/how they are available for inspection.</i>
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