

Housing Scrutiny Commission

Commission Meeting 4th February 2016

Empty Homes Strategy

Assistant Mayor for Housing: Cllr Andy Connelly

Lead director: Ann Branson



City Mayor

Useful information

- Ward(s) affected: All
- Report author: Simon Nicholls
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- Report version number: V.3

1. Summary

- 1.1 The purpose of this report is to inform the Housing Scrutiny Commission of the Housing Divisions intention to submit a bid to the ServiceTransformation Fund to increase the number of Empty Homes Officer to reduce the backlog of long term empty homes.

2. Recommendations

- 2.1 To note the officers' actions.

3. Supporting information including options considered:

- 3.1 There are currently a total of 4677 private sector empty homes city wide.
- 3.2 Private sector empty homes blight their neighbourhoods, attract anti-social behaviour and reduce the number of available properties on the rental and sale market.
- 3.3 When an empty home is bought back into use the council receive a New Homes Bonus from the Government equal to 6 years council tax.
- 3.4 Private sector empty homes are dealt with as follows:
 - After a house has been empty for 6 months a letter is generated by council tax and the owner asked to confirm the properties current status. This is just the general churn of properties that are empty due to a variety of reasons, being sold, inherited etc.
 - The Housing Division have an Empty Homes Strategy that target homes that have been empty for longer than 18 months. (Appendix A.) The current total is 1164.
 - A 20 stage process is followed which is centred on contacting the home owner and assisting them to bring the property into use themselves by offering support and advice. The majority of empty homes are bought back into use by stage 1a of the procedure which is monitoring after the Stage 1 letter has been sent.
 - If a home cannot be bought back into use with the consent of the owners then the Housing Division will apply for a compulsory purchase order (CPO).
- 3.5 Over the last 2 years the Empty Homes Team has received 28 new empty homes cases to deal with every month, they have a working caseload of 1164 properties

(including misinformation, non-priority housing and 2nd homes) and on average over the last 5 years have returned 227 empty homes back into use every year. (19 per month).

- 3.6 There are currently 2 permanent full time Empty Homes Officers. In addition we have a graduate for 11 months (ends June 2016) and one of the job share posts has been increased to full time for 11 months (ends August 16) which is helping to temporarily increase the number of empty homes bought back into use.
- 3.7 The number of Empty Homes Officers has been increased in the past and this has resulted in an increase in the number of empty homes bought back into use, however this temporary increase has never been sufficient to reduce the backlog completely.
- 3.8 The number of additional Empty Homes Officers needed to deal with the backlog is 4; they will be required for 3 years.
- 3.9 An increase in the number of Empty Homes Officers will increase the number of cases referred to Legal Services and therefore their workload.
- 3.10 To fund these temporary posts a bid will be submitted to the Service Transformation fund which will include the cost of the additional Empty Homes Officers and an amount for the increase in legal work.
- 3.11 Bids to the Service Transformation Fund are considered by the Chief Operating Officer who will take the following into account:
 - a. That the money is spent in ways which enable services to reduce cost, or to more quickly reduce cost than would otherwise have been the case: or to support budget reviews of services:
 - b. The fund can be spent on revenue or capital expenditure:
 - c. The maximum amount which can be committed to any one project is £1m, without seeking a further decision from the City Mayor.

4. Details of Scrutiny

4.1 The Housing Scrutiny Commission have considered the issues surrounding private sector empty homes on a number of occasions.

5. Financial, legal and other implications

5.1 Financial implications – Peter Coles, Principal Accountant

5.1.1 The cost of an Empty Homes Officer including salary on costs is £34k a year. Four officers would cost £136k a year, therefore the cost over 3 years would be £408k. There is currently no budget to fund the temporary posts.

5.1.2 If the officers are successful at increasing the number of long term empty homes brought back in use the Empty Homes Bonus paid to the council each year will

increase. It is difficult to be precise about the increase in bonus, any increase will reduce the net cost to council.

5.2 Legal implications

5.2.1 The Council has powers to acquire land and property for housing purposes (including the use of compulsory purchase powers) pursuant to s.17 of the Housing Act 195 (as amended). As outlined in the report, the Council's approach to dealing with empty homes is contained in and is in accordance with the Council's Empty Homes Strategy originally adopted in 1995 as updated, and in accordance with national policy on empty homes. With regard to compulsory purchase, these are undertaken in accordance with the Empty Homes Strategy and wider Government policy on compulsory acquisition, in particular updated Guidance issued by the Department for Communities and Local Government published in October 2015.

John McIvor, Legal Services, ext. 37-1409

5.2.2. Employment Law Implications

There are no employment implications arising out of the recruitment of fixed term employees other than fixed term employees should not be treated less favourably than permanent employees because they have fixed term contracts. This includes, but is not limited to, their entitlement to access training and be considered for promotions, their treatment in redundancy situations and access to the pension scheme.

Hayley McDade
Solicitor

5.3 Climate Change and Carbon Reduction implications

None sought

5.4 Equalities Implications

None sought

6. Background information and other papers:

See No.7 below

7. Summary of appendices:

Appendix A, Empty Homes Strategy Report

8. Is this a private report (If so, please indicated the reasons and state why it is not in the public interest to be dealt with publicly)?

Yes

9. Is this a “key decision”?

See No.10.

10. If a key decision please explain reason

In determining whether it is a key decision you will need consider if it is likely:

- to result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council’s budget for the service or function to which the decision relates?
- to be significant in terms of its effects on communities living or working *in two or more wards in the City*.

Expenditure or savings will be regarded as significant if:

- (a) In the case of additional recurrent revenue expenditure, it is not included in the approved revenue budget, and would cost in excess of £0.5m p.a.;
- (b) In the case of reductions in recurrent revenue expenditure, the provision is not included in the approved revenue budget, and savings of over £0.5m p.a. would be achieved;
- (c) In the case of one off or capital expenditure, spending of over £1m is to be committed on a scheme that has not been specifically authorised by Council.

In deciding whether a decision is significant you need to take into account:

- Whether the decision may incur a significant social, economic or environmental risk.
- The likely extent of the impact of the decision both within and outside of the City.
- The extent to which the decision is likely to result in substantial public interest.
- The existence of significant communities of interest that cannot be defined spatially.



HOUSING COMMITTEE

7th NOVEMBER 1995

CITY WIDE EMPTY HOMES STRATEGY

REPORT OF THE DIRECTOR OF HOUSING

1. **SUMMARY**

- 1.1 This report describes the various initiatives available to bring vacant homes in the private sector back into use. It outlines the success to date of the initiatives in meeting the housing need of certain categories of homelessness in the city. The issues that arise from this method of meeting housing need are also reviewed.
- 1.2 The report also highlights the need to integrate the use of these initiatives into a strategic city wide approach to bring empty properties in the private sector back into use; complementing and expanding upon the city's success in addressing private sector vacancies in renewal areas and controlling void rates in its own stock.

2. **RECOMMENDATIONS**

It is recommended that:

- 2.1 Committee approves the development of an Empty Homes Strategy as outlined in this report with particular reference to the use of the council tax database as outlined in paragraph 7.4.
- 2.2 Committee is updated on the development of the strategy in 6 months time as recommend in paragraph 9.7 of this report.

3. **FINANCIAL IMPLICATIONS**

- 3.1 The costs of setting up and administering the Private Sector Leasing scheme are offset against bed and breakfast costs.
- 3.2 There is no cost to the City for housing association Shortlife initiatives. Indeed, the more properties that can be identified the more funding that can be brought into the City via the Housing Corporation Approved Development Programme.

4. **UNITARY STATUS IMPLICATIONS**

Unitary status could be helpful in aiding access to any vacant County Council properties and bringing them back into use under the Empty Homes Strategy