

MAIDSTONE BOROUGH COUNCIL

**OVERVIEW & SCRUTINY COMMITTEE FOR
REGENERATION & ECONOMIC DEVELOPMENT**

25 SEPTEMBER 2012

REPORT OF HEAD OF HOUSING AND COMMUNITY SERVICES

Report prepared by Neil Coles, Housing Services Manager

1. Empty Homes Plan Scoping Report

1.1 Issue for Consideration

1.1.1 To consider the options for reviewing the council's Empty Homes Strategy (2007) to be taken forward in a new Empty Homes Plan.

1.2 Recommendation of the Head of Housing and Community Services

1.2.1 That the Overview & Scrutiny Committee recommends to the Cabinet Member for Communities and Leisure Services the principles outlined at paragraphs 1.2.2 to 1.2.6 (below) be included within the new Empty Homes Plan.

1.2.2 That the council continues with its existing informal interventions to return empty homes back into use.

1.2.3 That the council introduces a range of financial incentives (including grants and loans) as part of the existing capital programme to facilitate empty homes being brought back into use.

1.2.4 That the council signs up to Kent County Council's 'No use empty' loan scheme to provide an additional financial incentive to bring empty homes back into use.

1.2.5 That the council adopts a robust enforcement approach to return empty homes back into use where property owners do not co-operate with the council, with enforced sale, compulsory purchase and empty dwelling management being options of last resort.

1.2.6 That the council develops innovative schemes to bring empty homes back to use by offering opportunities to residents and former offenders to actively participate in the renovation of empty properties for their future occupation.

1.3 Reasons for Recommendation

- 1.3.1 The council's current Empty Homes Strategy was published in 2007 (and updated in 2010) and is due to be reviewed to ensure that the council's activity in respect of empty homes within the borough remains fit for purpose.
- 1.3.2 The council was recently successful in bidding for funding from the Homes and Communities Agency to return long-term empty homes back into use and this new project needs to be incorporated.

1.4 Background

- 1.4.1 Homes that lie empty and unoccupied are clearly a wasted resource. This is especially the case given the current high demand for all forms of housing and the impact on households who are unable to locate appropriate housing for their needs.
- 1.4.2 There are some 720,000 empty homes in England, of which 279,000 have been empty for over 6 months with almost 100,000 of the total number of empty homes being found in the South East region. Within Kent, there are more than 23,000 empty homes, and 8,500 of these have been empty for more than 6 months.
- 1.4.3 In Maidstone there are 1,583 empty homes in total which equates to 2.42% of the total housing stock within the borough, of which 1,505 are within private ownership (i.e. not owned by housing associations or public bodies). There are 530 long-term empty homes that have been empty for over 6 months.
- 1.4.4 Empty homes can place a burden on local neighbourhoods through:
- § detracting from the visual amenity of the local area;
 - § encouraging vandalism, anti-social behaviour and other criminal activity;
 - § attracting vermin where gardens become unkempt and overgrown, or are subject to fly-tipping;
 - § creating concerns for immediate neighbours due to lack of general maintenance and disrepair, and;
 - § being targeted by squatters.
- 1.4.5 Empty homes can also be attributed with fuelling a 'spiral of decline' in a local area where a sense of neglect discourages inward investment and new households are dissuaded from moving into the neighbourhood.

1.4.6 Homes become empty for a variety of reasons, with many becoming empty as an inevitable consequence of being sold, and are soon re-occupied. Other homes however, become empty for a range of other reasons, including:

- § extensive building works required and owner unable to organise;
- § property subject to probate;
- § inheritance where the beneficiary is unaware of their options;
- § owner has moved into a nursing home, residential care, or other supported housing;
- § property is subject to redevelopment proposals;
- § owner has moved away or abroad;
- § options for bringing back to use not understood by the owner;
- § renting to tenants not perceived to be appropriate, and;
- § owners waiting for increase in capital value.

1.4.7 Due to the wide and varied issues that influence empty homes it is considered that those homes that are empty for longer than 6 months are considered 'long-term' empty homes that warrant additional support to bring back into use as these are the properties where the housing market itself will not, in itself, provide the impetus necessary to resolve the position.

1.4.8 Where empty homes are brought back into use, the council will receive financial benefit through the government's New Homes Bonus scheme which rewards the provision of housing stock within each local authority area.

1.5 Aims of the Empty Homes Plan

1.5.1 The plan aims to set out how the council intends to:

- § Reduce the number of long-term empty homes through bringing them back into use;
- § Provide financial assistance to bring empty homes back into use;
- § Instigate enforcement action to bring empty homes back into use, and;
- § Develop innovative approaches to return empty homes back into use.

1.6 Reducing the number of long-term empty homes

1.6.1 The council currently works with a wide range of partners and uses a range of techniques to encourage empty property owners to return their properties back into use. These include:

- § Advice on repairs and improvements;

- § Advice on renting for empty home owners, and;
- § Advice on leasing options with Housing Associations (e.g. Private Sector Leasing schemes);

1.6.2 In the first instance the council aims to work informally with property owners to obviate the need for formal enforcement action. This is often very successful in providing the catalyst needed for positive action, especially where owners simply do not have the knowledge needed to return their property back to use.

1.6.3 Where the informal approach does not produce a positive response, then the council will consider instigating enforcement powers.

1.7 Providing financial assistance

1.7.1 Currently the council does not offer financial assistance to empty home owners to assist them return properties back to use, and the council has also not utilized the loan-fund available to empty property owners through Kent County Council's 'No use empty' scheme. These decisions were framed by historical contexts that no longer exist.

1.7.2 The provision of a wide range of financial incentives, including both grants and loans will assist and support the council's informal activities aiming to bring empty homes back to use. It will also reduce the potential need for enforcement action, which presents a resource implication to the council.

1.7.3 The council has successfully bid for funding from the Homes and Communities Agency (HCA) for returning long-term empty homes back to use through a long lease arrangement with partner housing associations.

1.8 Instigating enforcement action

1.8.1 Where property owners do not co-operate with the council, the council has a range of enforcement options available to both return homes back into use, and to respond to the negative impact on neighbourhoods. These include:

- § Service of legal notices requiring repairs (e.g. housing, planning and dangerous structures);
- § Works in default of legal notices;
- § Enforced sale;
- § Compulsory Purchase Orders (CPOs), and;
- § Empty Dwelling Management Orders (EDMOs).

1.8.2 These enforcement powers will be considered on a case by case basis to provide a measured response to returning the property back to use.

1.8.3 The use of enforced sale, compulsory purchase and empty dwelling management orders will be options of last resort. These options will also present some degree of financial risk to the council.

1.9 Developing innovative approaches

1.9.1 There are a number of innovative schemes across the country that have returned empty homes back to use. There is real potential for the council to replicate one or more of these schemes within Maidstone.

1.9.2 The Canopy Project (in Leeds) provides an opportunity for unemployed residents to learn new construction skills or make use of existing skills in renovating empty properties, with the homes being occupied by those individuals who have carried out the renovation. Similar schemes have used this approach to provide training and housing for ex-offenders and as a result reduced re-offending rates.

1.9.3 These schemes have also successfully secured support from both local and national business in the provision of materials and the professional trades (e.g. gas contractors) benefitting the wider community.

1.10 Impact on Corporate Objectives

1.10.1 The Empty Homes Plan is key in ensuring that the council directs its resources appropriately to meet the priority for Maidstone to be a decent place to live through the availability of decent, affordable housing in the right places across a range of tenures.

1.11 Risk Management

1.11.1 The use of enforcement action presents a potential financial risk to the council if the action fails. To balance this risk, officers are fully trained in the legal aspects of enforcement action, and enforcement decisions are subject to the council scheme of delegation such that decisions are audited by a senior manager appropriate to the level of risk presented by the enforcement decision.

1.12 Other Implications

1.12.1

1. Financial
2. Staffing
3. Legal

X

- 4. Equality Impact Needs Assessment
- 5. Environmental/Sustainable Development
- 6. Community Safety
- 7. Human Rights Act
- 8. Procurement
- 9. Asset Management

X

1.12.2 Financial – the proposals in this report are intended to be funded from the existing capital budget of £1.8m and within the agreed revenue resources. However, the Cabinet Member could consider requesting additional resources on the basis of spending to accrue future funds from central government in the form of New Homes Bonus and other grants from the DCLG.

1.12.3 Legal – the proposals regarding enforcement in this report may result in additional demand for assistance from legal services.

1.13 Conclusions

1.13.1 The new Empty Homes Plan provides an opportunity for the council to provide a range of incentives to maximize the potential for empty homes to be brought back into use, and hence increase the supply of housing within the borough. This will also result in the improvement of neighbourhoods affected by the negative consequences of long- term empty homes.

1.14 Relevant Documents

1.14.1 Appendices

- § Housing Strategy
- § Housing Assistance Policy

1.14.2 Background Documents

- § Empty Homes Strategy

IS THIS A KEY DECISION REPORT?

Yes

No

If yes, when did it first appear in the Forward Plan?

July 2012

This is a Key Decision because: It affects all wards.

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Wards/Parishes affected: All

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