

REPORT FROM: HOUSING, HEALTH AND ECONOMIC DEVELOPMENT
SERVICES MANAGER

TO: EXECUTIVE

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EMPTY HOMES PLAN AND UPDATE

PURPOSE OF REPORT

To inform Executive of the progress being made against the Empty Homes Plan and to update the Empty Homes Action Plan.

RECOMMENDATIONS

- (1) Note the work already completed towards achieving the targets in the Empty Homes Plan
- (2) Adopt the empty homes action plan for 2017– 2019 attached to this report
- (3) Subject to (2) above agree to the proposed use of Compulsory Purchase Orders as a means of bringing some long-term empty properties back in to use, and
- (4) For the purposes of (3) above, agree an initial capital allocation of £150,000 from the current year's approved capital programme budget for Empty Homes.
- (5) A further report is brought back to the Executive regarding the priority properties that could be considered for Compulsory Purchase

REASONS FOR RECOMMENDATIONS

- (1) To enable the Empty Homes Plan Targets to be met
- (2) To continue the reduction in empty properties across the Borough
- (3) & (4) To enable the most challenging empty properties to be brought back in to use.
- (5) To receive approval for the Compulsory Purchase Priority list

ISSUE

1. Empty Homes are a key factor in low demand housing areas, they are a wasted asset, encourage anti-social behaviour and can cause neighbourhoods to decline. It is therefore essential that the problem is tackled as part of the overall regeneration of Pendle.
2. A range of proactive work has been undertaken by Housing, Health and Economic Development Services, since 2012 as part of the Empty Homes Plan. The actions so far have resulted in a significant reduction in the numbers from over 2131 in 2008/9 to the present level of 976 but there are still some problem areas across the Borough.
3. We need to look at ways of building on our successes and developing new ways to bring the more challenging long term empty properties back in to use and hence increase the level of New Homes Bonus brought into the district.
4. Since the appointment of the Council's dedicated Empty Homes Officer there has been a marked increase in the number of empty homes that have been brought back into use. The table below shows the numbers brought back into use and the numbers of empties for each of the years since 2011/12

Year	Brought back into use through our action	6 month to 2 years	Over 2 years	Total empty properties (over 6 months)	Yearly change
2011/12	107	1029	741	1770	
2012/13	74	776	692	1468	-302
2013/14	85	931	483	1414	-54
2014/15	793	667	401	1068	-346
2015/16	921	716	382	1098	+30
2016/17	1104	557	369	926	-172

5. Overall the number of long term (over 6 months) private sector empty properties has fallen from 1770 in 2011/12 to 926 in 2016/17 a reduction of 844. The total number of long term empties has fallen year on year (with exception of 2015/16?) and has reduced by 172 in the last 12 months. However, the houses that have been empty for over 2 years have decreased by 48.8% (372 properties) since 2011/12. In the last 12 months those over 2 years have gone down from 382 to 369? A reduction of 13 or 3.4% This represents a current average vacancy rate of properties empty for over 6 months of 2.3% across the borough.
6. 2.54% of homes in England are considered empty and there are 3.3% of homes in the North West that are empty. So we are now below the national average for the numbers of empty properties. if we look at the numbers of empty properties over 2 years we have 0.88% of our housing stock that has been empty for over 2 years whilst the average for England is 0.86% and in the North West it is 1.25% (*Empty Homes 2016*).
7. Whilst there are significant number of properties becoming reoccupied and numbers have fallen there is still a high turnover of properties which are left empty for over 6 months resulting in the discrepancy between the numbers brought back into use and the yearly change in the table above.
8. Whilst the vacancy rate is below the national average there are still clusters of empty properties around the borough.
9. The wards within the Colne and District Committee, West Craven Committee and Barrowford and Western Parishes Committee areas have a vacancy rate of around 2.0% well below the

target set in the Sustainable Communities Strategy. Brierfield and Reedley Committee has a vacancy rate of 3.0% (120 houses) and the Nelson Committee 4.5 %.(395 houses). However in both these Committee areas there have been significant reductions in the numbers of empty properties. In Brierfield the number fell by 38 (24%) whilst in Nelson it fell by 207 (34%)

10. Whilst these figures are very encouraging they must also be taken with a degree of caution. Figures provided for the new homes bonus return in October show a slight increase in the numbers of empties so it is important that we keep this under review and continue to work with owners to ensure that properties remain occupied.

Empty Homes Loans

11. Since the introduction of the Empty Homes Loans we have received 106 enquiries. This has led to 56 loans being offered. However it is important to note that although we have offered loans to improve 56 properties in 36 cases the properties have been improved but the loan has not been claimed. This means that we are able to continue to offer this assistance to other empty home owners across the borough.
12. The empty homes officer has received 4 enquiries since January and reports that there is little interest in the loan.

Action Plan

13. The Action Plan attached to this report, in appendix 1, sets out the actions that the Council has used and intends to use to reduce the number of empty homes in the borough, including the actions that have been taken since the report to the Executive in March 2016.
14. The action plan proposes a project to tackle some of the most challenging long term empty homes in the borough. In order to facilitate this project we are looking to vire funding from the empty homes loan budget into a CPO fund. In the first instance we would like to take ownership of the empty and fire damaged properties on Cambridge Street Brierfield to enable them to be either demolished or brought back into use. The Executive is requested to endorse this initiative and request Council to approve a budget allocation of £150,000 in the first instance to facilitate this. This can be achieved by diverting (virement) part of the budget allocation for Empty Home Loans in the current capital programme whilst leaving a significant budget for other interventions to tackle long term empty properties in the future should the numbers of empty properties begin to rise.

CONCLUSION

Whilst we must recognise what has been achieved in reducing the numbers of empty properties to below the target set in the Sustainable Communities Strategy there are still clusters of empty properties that are causing problems and attracting anti social behaviour. The emphasis must now be to tackle these clusters and reduce the long term vacancy rates in these areas to those seen in other parts of the borough by continuing to work with owners, partners and other Local Authorities. We must also be mindful of the potential for the numbers of empty properties to rise in the future.

IMPLICATIONS

Policy: There are no changes to Policy arising from this report

Financial: The approved capital programme includes a budget allocation of £591k in the current financial year for empty homes, mainly to fund the provision of loans. As reported above, the demand for such loans has been limited. This provides an opportunity to consider allocating part of this budget to help tackle the most difficult cases of long-term empty homes via compulsory

purchase order. This is an action proposed in the 2017/19 Action Plan at Appendix A and if the Executive is supportive of this approach, it is requested to approve an initial allocation of £150,000 from the Empty Homes capital budget to establish a fund for this purpose. This will enable progress to be made on the most challenging cases of long-term empty or dilapidated properties and help bring them back in to use.

Legal: Nothing arising from this report

Risk Management: There is a significant risk that without the implementation of the action plan the problem will continue to get worse

Health and Safety: Nothing arising directly from this report

Sustainability: Continuing to implement the empty homes action plan will assist in meeting the target set in the Sustainable Communities Strategy across all areas of the borough

Community Safety: Reducing empty properties can reduce the anti-social behaviour that is often associated with them

Equality and Diversity: None

APPENDICES

Empty Homes Action Plan

LIST OF BACKGROUND PAPERS

Empty Homes in England Report 2016

2016/17 Action Plan					
Action	Lead	Project Start and End Date	Milestones	Milestone Completed date	Comment
Investigate the option to repay six months Council Tax premium to new owners who refurbish and reoccupy properties within six months of acquisition	Paul Lloyd/Jake Piergies	01/06/16 to 31/03/17	Identify how many properties potentially involved	01/08/16	Complete
			Cost the options	01/10/16	Not Continued following the changes made and the reintroduction of Class C discount
			Report to management team	01/02/17	
Review the feasibility and implications of reintroducing the former Council Tax Class C discount for a short-term period (up to 8 weeks) for owners of vacant properties	Vince Green/Paul Lloyd	20/6/16 to 30/8/16	Conclude the review by mid-July	16/7/16	Completed
			Report to The Executive	18/8/16	Completed
Investigate the use of enforced sale for long term empty properties who have significant council tax debt	Paul Lloyd/Jake Piergies	01/03/16 to 31/03/17	Identify properties	01/05/16	Completed
			Liaise with Council Tax to develop a protocol	01/07/16	Ongoing
			Report to management team	31/03/17	
Target the long term empty properties in Nelson and Brierfield and reduce numbers by 20% by 2020	Jake Piergies	01/03/16 to 31/03/20	Review the empty data for Nelson and Brierfield every 3 months	31/03/20	Completed
			Report progress to management team	31/03/17	
			Report progress to management team	31/03/18	
			Report progress to management team	31/03/19	
			Report to management team	31/03/20	

Identify 2 nd homes that are recorded as empty and inform Council Tax	Jake Piergies	01/04/16 to 30/09/16	Identify properties from Council Tax data	01/10/16	Completed
			Report findings to Council Tax	31/12/16	Completed
Develop a scheme to enable us to offer financial assistance to bring vacant space above shops and offices into residential use	Jake Piergies	01/04/16 to 31/3/17	Identify commercial properties with vacant space	01/07/16	Carried forward
			Develop a loan product and identify possible funding	01/01/17	
			Report to management team	31/03/17	
Set up monthly meetings between Council Tax and Private Sector Housing to facilitate sharing of information around empty properties.	Paul Lloyd	01/04/16	Set up meetings	01/06/16	Completed
Review the need for the dedicated empty homes officer post	Paul Lloyd	01/01/16 to 31/5/16	Consider the need and role of the Empty property officer	01/11/16	Completed
			Report to management team	01/02/17	Completed
2017/19 Action Plan					
Action	Lead	Project Start and End Date	Milestones	Milestone Completed date	Comment
Investigate using empty homes loan funding to facilitate the Compulsory Purchase (CPO) of properties that have been empty for over 2 years where the owner is not willing to bring the property back into use.	Jake Piergies	01/12/17 to 30/03/19	Meet with finance	01/12/17	
			Identify properties that we need to acquire	30/01/18	
			Cost the options of Purchase/repair or Purchase/sell unimproved	31/03/18	
			Report to management team for approval to acquire	30/06/18	
			CPO first properties	31/03/19	
Continuation of the empty	Jake Piergies	ongoing			

Homes Loan Scheme.					
Investigate empty properties with mortgages to encourage action from lenders.	Jake Piergies	01/12/17 to 30/04/18	Identify long term properties with mortgages. Contact mortgage providers	01/03/18 31/05/18	
Target the long term empty properties in Nelson and Brierfield and reduce numbers by 20% by 2020.	Jake Piergies	01/03/16 to 31/03/20	Report progress to management team Report progress to management team Report to management team	31/03/18 31/03/19 31/03/20	
Develop a scheme to enable us to offer financial assistance to bring vacant space above shops and offices into residential use.	Jake Piergies	01/04/16 to 31/3/18	Identify commercial properties with vacant space Develop a loan product and identify possible funding Report to management team	01/07/18 01/01/19 31/03/19	
Investigate the impact that Brexit Could have on the number of empty properties.	Jake Piergies	01/12/17 to 30/11/18			
Arrange for the disposal of Council owned empty properties	Jake Piergies/ Paul Lloyd	01/10/17 to 31/03/18	Contact Property services for valuation Report to executive for authority to dispose Market the property	31/10/17 31/10/17 30/11/17	
Develop a scheme to enable the clearance of the dilapidated properties in Elizabeth Street Nelson.	Jake Piergies/Paul Lloyd	01/12/17 to 30/11/18	Meet with legal to discuss CPO Meet with Senior Regeneration Officer to develop end use proposal Report to management team	31/01/18 31/01/18 31/05/18	

Review the need for the dedicated empty homes officer post.	Paul Lloyd	01/04/19 to 30/06/19	Consider the need and role of the Empty property officer	31/05/19	
			Report to management team	30/06/19	
Review the empty home strategy and action Plan.	Paul Lloyd	01/04/18 to 31/03/19	Review the existing strategy	31/07/18	
			Write new strategy	30/01/19	
			Report to management team	31/03/19	