

## BARNSELY METROPOLITAN BOROUGH COUNCIL

This matter is not a Key Decision within the Council's definition and has not been included in the relevant Forward Plan

### REPORT OF THE EXECUTIVE DIRECTOR PLACE

#### BMBC's Empty Property Delivery Plan and Profiling 2018-2021

#### 1. PURPOSE OF REPORT

- 1.1 To outline the empty properties delivery plan and spend profile for the period 2018-2021.

#### 2. RECOMMENDATIONS

- 2.1 To approve the outline of the empty property delivery plan 2018-2021.
- 2.2 To approve the approval process identified in paragraph 4.16 for any adjustments between the individual delivery streams within the overall budget envelope available.

#### 3. INTRODUCTION

- 3.1 The Council's Senior Management Team has indicated that an increased focus should be brought to bear on tackling the number of long-term empty homes within the Borough. The latest statistics are shown below:

<b>Time Empty</b>	<b>Total</b>
6 Months to 2 Years	935
2 Years to 5 Years	311
5 Years to 10 Years	167
10 Years Plus	72
<b>Grand Total</b>	<b>1,485</b>

Source: Council tax data extract Sep 2018.

- 3.2 The number of long term empty (LTE) properties, which are defined as being empty for more than 6 months, has steadily reduced over the last two years. In April 2016, there were 1,727 LTEs with the vast majority of these found in the private sector.
- 3.3 The introduction of a number of new initiatives by the Council has meant that the performance in respect of the Borough's empty homes is bucking the national trend with a reduction of 14% (since Quarter 4 of 2016/17), against the national average of a rise of 5% across the same timeframe.

#### 4. PROPOSAL AND JUSTIFICATION

- 4.1 A sum totalling £1.5 million has been approved in principle by SMT / Members to fund this proposal and to assist the delivery of an enhanced empty homes programme for the period 2018-2021.
- 4.2 The Council already provides a range of support services to the owners of empty homes to return such properties to use; this includes the provision of grants and the offer of property purchase as well as advice.

The new prospectus will build on proven interventions and work with new partners to deliver best value, assist with the third sector provision and to fund a new post of Empty Homes Officer for a three year period.

- 4.3 The table below shows an indicative delivery plan for 2018-2021 which is split between the individual delivery projects within the overall empty homes programme. Each project is detailed in the paragraphs below.
- 4.4 A number of these projects have already been approved by Cabinet which are highlighted in both the table below and within the footnote to that table.

	<b>BMBC Contribution £</b>	<b>Revenue or Capital</b>	<b>Paragraph</b>
Contribution to Human Kind *	275,000	C	4.6
Third Sector Support	300,000	C	4.7
Financial Assistance to Owners	700,000	C	4.8
Enforcement Powers **	100,000	C	4.9
Empty Homes Officer Costs ***	105,000	R	4.10
Other Delivery Costs	20,000	R	4.11
<b>Total</b>	<b>1,500,000</b>		

\* Human Kind – Dealing with Empty Homes: DISC Housing Programme in Barnsley 2018/21 – Decisions of Cabinet Spokespersons (Cab.2.7.2018/4)

\*\* Greater use of enforcement powers to Tackle Problematic Long-Term Empty Properties (Cab.16.5.2018/10)

\*\*\* Creation of Empty Homes Officer post within the Housing and Energy Service – Delegated report.

- 4.5 Over and above these programmes, the Council has previously approved an amount set aside from its own resources, to supplement the empty homes programme, relating to the current Homes England contract for the purchase and repair of long term empty properties. This programme is being delivered by Berneslai Homes on behalf of the Council with such properties being retained within the housing stock and social rents duly being applied to tenants.

The amount set aside totalled £3.591M (Cab.13.12.2017/7 refers) and was funded from a combination of HRA Reserves, S106 monies and HCA Grant.

It is estimated that 39 additional empty properties will be brought into use over the period 2018-2021, with the phasing of these properties over the period shown in the table at paragraph 4.13.

#### 4.6 Contribution to Human Kind

The Council is working with a housing charity called Human Kind with the aim of bringing privately owned empty homes back into use. The Council's £0.275M contribution will assist Human Kind in providing support towards achievement of bringing empty homes in to use by either purchasing or leasing (over 10 years) and repairing of such properties from the private landlords. The purchased properties reside with Human Kind and the leased properties return to the owner at the end of the lease.

The Council provides funding either at the point of purchase / completion of lease or when the works have completed to the Council's satisfaction. BMBC's contribution for either scheme is capped at £9,100 per property with Homes England and Human Kind providing further financial support. The Council's Homelessness Prevention Strategy will be supported by this contribution with additional support to the learning and training agendas.

It is estimated that 30 additional empty properties will be brought into use over the period 2018-2021, with the phasing of these properties over the period shown in the table at paragraph 4.13.

#### 4.7 Third Sector Support

The Council is looking to provide financial support to the third sector (Thurnscoe Tenants Associations, Big Locals and Barnsley Community Build) through the provision of grant funding to support the sector to purchase and renovate such properties, with the retained ownership remaining with the third sector body. This strand is based on the previous empty homes (clusters) programme which operated in Goldthorpe.

It is estimated that 15 additional empty properties will be brought into use over the period 2018-2021, with the phasing of these properties over the period shown in the table at paragraph 4.13.

#### 4.8 Financial Assistance to Owners

The Council is proposing to provide financial assistance to private owners of the Borough's empty homes in the form of grant payments, with the overall objective of bringing those properties back into use whilst meeting the Council's own Barnsley Homes Decency Standard. These properties will remain with the private landlord. As above, this strand is based on the previous empty homes (clusters) programme which operated in Goldthorpe.

It is estimated that 45 additional empty properties will be brought into use over the period 2018-2021, with the phasing of these properties over the period shown in the table at paragraph 4.13.

#### 4.9 Enforcement Powers

Where both financial and non-financial support is given to private landlords, as outlined throughout this report, which is not successful in terms of private landlords complying with the Council's requests, then the Council will utilise its statutory

powers to enforce the sale of properties to the Council with the intention of either bringing the property back into use and holding as part of its housing stock for rental purposes, or selling on to a different landlord.

It is estimated that 33 additional empty properties will be brought into use over the period 2018-2021, with the phasing of these properties over the period shown in the table at paragraph 4.13.

#### 4.10 Empty Homes Officer Costs

To assist the Council in achieving its goal of reducing long term empty homes, a temporary Empty Homes Officer post has been created within the Housing and Energy Service on a three year fixed term contract. This post was previously approved via an officer delegated decision and the post has been filled from May 2018.

#### 4.11 Other Delivery Costs

Additional costs towards the delivery of the programme include event costs, marketing costs etc.

#### 4.12 Non-Financial Support & Guidance

In addition to the financial support, the Council also offers non-financial support to private owners of empty homes to assist and encourage them to bring the properties back into use. This includes providing information and guidance across a wider range of issues such as probate, selling, repairs and becoming a landlord.

It is estimated that 138 additional empty properties will be brought into use over the period 2018-2021, with the phasing of these properties over the period shown in the table at paragraph 4.13.

4.13 The table below summarises the estimated impact of the Empty Homes Programme for the period 2018-2021 in terms of empty homes being brought into use across the Borough:

	Paragraph	2018/19	2019/20	2020/21	Total
BMBC Empty Homes Programme	4.5	13	13	13	39
Human Kind	4.6	7	11	12	30
Third Sector Support	4.7	5	5	5	15
Financial Assistance to Owners	4.8	15	15	15	45
Enforcement Powers	4.9	10	11	12	33
Non-Financial Support & Guidance to Owners	4.12	40	45	53	138
<b>Total</b>		<b>90</b>	<b>100</b>	<b>110</b>	<b>300</b>

- 4.14 The table below shows the actual performance against the target for 2018/19, to the third quarter (to December 2018)

	<b>2018/19 Target</b>	<b>Completed / Committed</b>	<b>Variance</b>
BMBC Empty Homes Programme	13	13	-
Human Kind	7	6	-1
Third Sector Support	5	3	-2
Financial Assistance to Owners	15	15	-
Enforcement Powers	10	11	+1
Non-Financial Support & Guidance to Owners	40	97	+57
<b>Total</b>	<b>90</b>	<b>145</b>	<b>+55</b>

- 4.15 An outturn report based on year 1 of the 2018-2021 programme (2018/19) will be completed and will review the effectiveness of the scope and operation of the existing programme.
- 4.16 Financial monitoring will focus on the overall programme spend rather than the spend profile of individual delivery projects / strands which provides flexibility within the overall empty homes programme. Adjustments between such strands will be made on an ad-hoc basis and subject to the approval of the Head of Housing & Energy.

## **5. CONSIDERATION OF ALTERNATIVE APPROACHES**

- 5.1 The principal manner in which the Council will engage with the owners of long-term empty properties will continue to be through the provision of advice and support, including financial assistance that will be available through this proposal for capital funding as outlined above. However, in cases where long-term empty properties are causing significant disamenity and the property owners have refused to respond to the support and advice that has been offered, the Council will use its enforcement powers where it is reasonable and proportionate to do so.

## **6. IMPLICATIONS FOR LOCAL PEOPLE/SERVICE USERS**

- 6.1 Greater focus of empty property work will enable the Council to better deal with long term empty properties that blight local neighbourhoods. Bringing such properties back into use will alleviate the disamenity that is frequently associated with long term empty properties and in the process help to improve the localities within which such properties are found.

## **7. FINANCIAL IMPLICATIONS**

- 7.1 Consultations on the financial implications have taken place with representatives of the Service Director – Finance (S151 Officer).
- 7.2 The total estimated cost to the Council of the Empty Property Delivery Plan are estimated to be £1.500M, split between capital (£1.375M) and revenue (£0.125M) costs respectively, phased over the 3 years through to 2020/21.

- 7.3 One of the elements within this programme relates to the Council's contribution to our partner Developing Initiatives for Support in the Community (DISC) for work, in conjunction with the charity Human Kind for the delivery of a DISC Housing / Homes England contract that will return an estimated 30 long-term empty homes to use within 2018/21 across Barnsley. The total cost of that package of works (within DISC) totals £1.000M, of which the Council is to contribute £0.275M. The remaining £0.725M is to be funded by a Homes England grant totaling £0.418M and DISC's own funding totaling £0.307M.
- 7.4 The funding for this proposal has been set aside in principle by SMT / Members and has been formally approved as part of the 2019/20 Council Budget Planning process that was submitted to Cabinet in February 2019 (Cab.6.2.2019/7 refers). This scheme is specifically funded from the Berneslai Homes surplus.
- 7.5 Where the support and actions by the Council results in the property owner taking steps to ensure that the empty property becomes occupied, there will be no direct financial implication on the Council.
- 7.6 If the property owner refuses to take advantage of the support offered and the property remains vacant, the Council may have no further choice but to pursue enforcement action to take ownership of the property via the Enforced Sales process or the issuing of CPOs or EDMOs. The costs associated with this course of action including all the purchase costs, is included in the programme as outlined throughout this report.
- 7.7 Any properties acquired will then either be held by the Council in its HRA housing stock and let to tenants accordingly (subject to any remedial works being carried out on the property which will be funded by the HRA capital programme) or alternatively the properties will be marketed for onwards sale via the use of estate agents or auction. The costs associated with the onward sale (including the original purchase cost) are expected to be funded via income generated by the sale. However, it should be noted that there is a risk that the sale costs may not cover the full costs associated with this process, although this will be mitigated wherever possible.
- 7.8 Furthermore, there may also be some financial benefits to the Council via additional new homes bonus as a result of decreasing the number of long-term empty homes. The monetary value, however, cannot be quantified at this stage.
- 7.10 The financial implications are shown in Appendix A.

## **8. EMPLOYEE IMPLICATIONS**

- 8.1 The Council's Housing and Energy Service has recruited a dedicated Empty Homes Officer on a 3-year fixed-term contract as part of a broader stepping up of empty homes activity. This additional resource will work closely with colleagues in the Stronger and Safer Communities service to enable the Council to take a more proactive approach in the use of enforcement powers to tackle problematic empty properties where it is appropriate and proportionate to do so.

## **9. LEGAL IMPLICATIONS**

9.1 No issues arising from this report

## **10. CUSTOMER AND DIGITAL IMPLICATIONS**

10.1 No issues arising from this report.

## **11. COMMUNICATIONS IMPLICATIONS**

11.1 The Housing and Energy Service will continue to promote, in general terms, the advice and support that is available to owners of empty homes. Communications regarding the use of enforcement will be *targeted* at those owners whose empty properties are causing significant levels of disamenity.

## **12. CONSULTATIONS**

12.1 Consultation has taken place with:

1. BMBC Stronger and Safer Communities
2. BMBC Legal Services
3. BMBC Finance
4. BMBC Planning – Development Management

**Note:** The following headings **may** be included in sequence, if there is considerable relevant detail to include (ie a list of headings with the comment "none" is not generally required). Otherwise, any information relevant to these issues may be incorporated in the above sections, with appropriate references:-

## **13. THE CORPORATE PLAN AND THE COUNCIL'S PERFORMANCE MANAGEMENT FRAMEWORK**

13.1 Tacking action to return empty properties to use as housing helps to deliver the following Corporate Plan outcomes:

- Creating more and better housing
- Increase skills to get more people working

13.2 The number of long-term empty homes returned to use is a corporate performance indicator.

## **14. PROMOTING EQUALITY, DIVERSITY AND SOCIAL INCLUSION**

14.1 No issues arising from this report.

## **15. TACKLING THE IMPACT OF POVERTY**

15.1 No issues arising directly from this report.

## **16. TACKLING HEALTH INEQUALITIES**

- 16.1 Homes that are brought back into use will meet Decent Homes standard ensuring that they are free of hazards can be heated to acceptable comfort levels affordably.

## **17. REDUCTION OF CRIME AND DISORDER**

- 17.1 Empty property is a magnet for anti-social behaviour. Reducing the number of empty properties will reduce the opportunity for crime and disorder.

## **18. RISK MANAGEMENT ISSUES**

- 18.1 That enforcement is used in inappropriate circumstances. With oversight from Service Director, Culture and Housing and Legal throughout process.

## **19. HEALTH, SAFETY AND EMERGENCY RESILIENCE ISSUES**

- 19.1 Specific Health and Safety plan has been developed for empty property officers.

## **20. COMPATIBILITY WITH THE EUROPEAN CONVENTION ON HUMAN RIGHTS**

- 20.1 Article 1 of the Convention provides for the right to the peaceful enjoyment of one's possessions. The checks and balances in within the procedure that officers will follow when seeking to invoke the enforcement powers set out in this report will ensure that that action taken is compatible with the European Convention on Human Rights.

## **21. CONSERVATION OF BIODIVERSITY**

- 21.1 None

## **22. GLOSSARY**

- EDMO – Empty Dwelling Management Order
- CPO – Compulsory Purchase Order

## **23. LIST OF APPENDICES**

Appendix A: Financial Implications

## **24. BACKGROUND PAPERS**

If you would like to inspect background papers for this report, please email [governance@barnsley.gov.uk](mailto:governance@barnsley.gov.uk) so that appropriate arrangements can be made

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