

REPORT TO EXECUTIVE



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PORTFOLIO	Regeneration and Economic Development
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Empty Homes Strategy 2008/11

PURPOSE

1. The report presents a new Empty Homes Strategy to be implemented in 2008 to 2011. The strategy sets out a framework for the effective implementation of policies and initiatives to reduce the number of long term empty homes in Burnley. Details of these initiatives are set out in the Action Plan. A copy of the strategy is available from the Housing Unit on request.

RECOMMENDATION

2. That the Executive approve the Empty Homes Strategy 2008/11 and the implementation of the Action Plan.

REASONS FOR RECOMMENDATION

3. The Executive's approval is requested to ensure that the Council has an effective strategy in place and makes best use of new tools available to tackle the considerable problems posed by long-term empty homes in Burnley.

SUMMARY OF KEY POINTS

4. **The aim of the Empty Homes Strategy** is to improve the effectiveness of the Council in returning long term empty homes back into use. For the purposes of this strategy, our definition of a long term empty home is "*a residential property that has been unoccupied for 6 months or more and does not have a reasonable prospect of being brought back into use by the owner without local authority intervention*"
5. **Long term empty homes present problems.** They are a wasted resource, can cause problems for the owner and the surrounding neighbourhood by reducing property values and attracting crime and antisocial behaviour. They are a drain on the resources of the local authority and the emergency services and produce a loss in Council Tax revenue.

There are significant benefits of bringing empty homes into use for property owners, local residents, the local economy and the wider community.

6. **A profile of Burnley`s empty homes problem** shows that Burnley still has 2665 empty homes, of which 2271 are empty long term. The figure of 7% empty homes in Burnley is considerably higher than the national average of 3.01% and the North West average of 4.18%. Burnley has the highest number of empty properties in the Lancashire area. A large proportion of these vacant properties are in the Wards of Bank Hall, Daneshouse, Queensgate and Trinity, which are situated in the Housing Market Renewal Area of the borough. Many empty properties are therefore the result of weaknesses in the housing market where there has been a concentration of low value, poorly maintained properties that no longer meet the aspirations of home owners.

The information above presents a clear case for action and it is through this strategy that the Council and our partners will build on current strengths and develop new means to tackle empty properties within the borough. It is important that we continue to review how we tackle this problem to ensure that we are making the best use of resources and powers available to us.

7. **The strategy links into and compliments the Council`s corporate strategies** including the Housing Market Renewal Strategy, the Sustainable Community Strategy, Housing Strategy, Crime and Disorder Strategic Assessment, Homelessness Strategy.

It also links into the Government objectives of creating sustainable communities, tackling low demand and market failure through the HMR Pathfinders, increasing the provision of affordable homes and tackling antisocial behaviour.

8. **In delivering the strategy the Council has identified four key priorities:**

Priority One – The identification of empty homes and the prioritising and targeting of action to deal with them. We currently use Council Tax records as a starting point in identifying empty homes and verifying information. We make extensive use of the Geographical Information System to track trends and identify hotspots. Our priority for the future is to have a transparent and easily understood system of prioritising vacant properties based upon their strategic location, management standard and their impact upon neighbouring properties and the local community. We have developed an Empty Homes colour coded matrix of red, amber, green. Each colour consists of specific criteria such as length of time vacant, condition of the property. Properties with the most criteria in red will be dealt with as the highest priority.

Priority Two – Working with owners to bring empty homes back into use.

Communicating with the owners of empty properties will be vital. We will work with owners to bring their properties back into use either through letting or sale. We will, for example, provide owners with advice and supporting literature on the benefits of returning empty homes back into use; we will carry out property inspections and forward schedules to them to enable them to make financial decisions on the rehabilitation of their properties; we will offer a brokering scheme to link owners with local builders and developers, who would be willing to acquire such properties for renovation and subsequent renovation or sale.

Priority Three – Working with our partners to reduce the numbers of empty homes in the borough. The causes and consequences of empty homes is not an issue that is solely housing based. We are already working with our internal and external partners utilising their specialist expertise in dealing with the different aspects pertaining to empty homes. To make the strategy work, we need to build on these relationships. To achieve this, we will establish an **Empty Property Steering Group** that will include representatives from our Service Units and external agencies. Its role will be to assist in determining the best way to bring vacant properties back into use and to ensure an effective delivery of the strategy. We will also be working more closely with our Lead Residential Social Landlords, encouraging them to increase their housing stock through the acquisition of vacant properties, while at the same time developing with them initiatives aimed at bridging the affordability gap, targeting first time buyers to enable them to acquire vacant properties as affordable homes, particularly those acquired by the Council.

Priority Four – Developing and implementing policy tools to improve action on empty homes. In recent years, we have adopted the approach of persuading owners of the benefits of bringing their properties into use. We have purchased properties either by agreement or compulsorily to sell on improved or unimproved through the Vacant Property Initiative. While this approach has been successful, the Empty Homes Strategy 2008/11 will provide us with new tools to return empty homes into use more effectively. Our priorities for the future will include **Empty Dwelling Management Orders**, which enable us to take management control of an empty property and to let the property for a period of up to 7 years; **Enforced Sales**, which gives the Council the right, when a debt has been accrued against a property by the Council, to sell the property to recover its debt. We will continue to use current housing enforcement tools including compulsory purchase orders as well as working with our partners to ensure that all the enforcement tools at our disposal are brought to bear on a property to ensure that environmental and property based nuisances are dealt with pending the rehabilitation of the property

9. **The implementation tools in the strategy will be funded from** Housing Capital Grant, Housing Market Renewal Fund, Recycled Receipts and investment from Registered Social Landlords and private owners. The budget for the Vacant Property Initiative for 2008/09 is proposed at £1,352,000. The Council has the staff resources in place to implement the budget and sufficient resources for additional staff training in the implementation of the strategy.
10. **The Action Plan 2008/11** detailed within the strategy will be delivered by the Housing Unit's Empty Homes Team except where reference is made to other Council Service Units or external partners.
11. **In monitoring and reviewing the strategy**, progress against the Empty Homes Action Plan will be reported annually through the Scrutiny process. This will form part of a wider update on partnership achievements in improving conditions in the private sector through the Housing Strategy Action Plan update. We have set targets for the number of vacant properties brought back into use during the life of the strategy. This figure will be 52 properties in 2008/09.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

12. Implementation of the strategy will result in more empty homes being brought back into use. This will result in financial benefits to the Council by increasing the Council Tax revenue on these properties over time.

Since the start of the Vacant Property Initiative, 25 long term vacant properties have been purchased by the Council. 7 have been sold and occupied with a further 6 in the process of being sold. Assuming a one person occupancy, the 7 properties has increased Council Tax revenue by £1750, 13 properties will give us an additional £3250.

In addition, when the Council acquires vacant properties, any Council Tax arrears are recovered from the compensation payable to the previous owner. The amount of Council Tax recovered from the purchase of the 25 properties is £30,414. The amount of sundry debts recovered from those properties amounts to £5007.

The strategy proposes to use new enforcement tools to return empty homes into use, including Empty Dwelling Management Orders. The specific financial implications of these policy tools will be detailed in future reports to the Executive when seeking approval for their implementation.

POLICY IMPLICATIONS

13. The Empty Homes Strategy is a key component of the Council's wider Housing Strategy and will make a significant contribution to delivering the Councils Strategic Outcomes of "Higher quality housing and neighbourhoods" and creating the right conditions were "Burnley is known as an alternative destination for living, working and leisure, based on **affordable high quality housing** and workspace with a wide leisure and cultural offer". An Equality and Diversity Impact Assessment has been completed on the draft strategy and no resulting actions were identified. A copy of the assessment is available on request.

DETAILS OF CONSULTATION

14. There has been wide consultation on the strategy, which has included consultation of Registered Social Landlords operating in Burnley. There were no comments back from the Registered Social Landlords.

BACKGROUND PAPERS

15. Background documents used in the preparation of this report are:-
Housing Act 2004
Housing Strategy 2006-2009

FURTHER INFORMATION

PLEASE CONTACT:

ALSO:

The draft Empty Homes Strategy can be viewed on the Council's website. The address is www.burnley.gov.uk/emptyhomesstrategy. A paper copy of the strategy is available in the Member's Room.

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