

REPORT TO THE EXECUTIVE



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PORTFOLIO	Housing and Environment
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The Empty Homes Clusters Programme

PURPOSE

1. To seek approval for the Empty Homes Clusters Programme and the locations of the clusters where empty homes will be targeted to be brought back into use (Appendices 1-3).
2. To put in place the necessary delegations needed to effectively deliver the programme.
3. To seek approval to drive a partnership forward that intensively tackles a group of empty homes collectively on a street by street approach (Appendix 4).
4. To provide additional staffing capacity to deliver the programme (Appendix 5).
5. To seek approval to revise the budget for the Empty Homes Programme as detailed in the 2012/13 Housing Capital Investment Programme.

RECOMMENDATION

6. That the Executive approves the focus of the Empty Homes Clusters Programme as set out in this report and attached as Appendix 1 Gannow Lane Area, Appendix 2 Brennand Street Area and Appendix 3 Trinity Area.
7. That delegated authority is granted to the Head of Housing and Development Control in consultation with the Leader to select and approve the empty homes within the proposed cluster locations for intervention.
8. Where empty properties are to be selected for acquisition and refurbishment that delegated authority is granted to the:
 - Head of Finance and Property Management to enter into negotiations to acquire the empty home by agreement.

- The Head of People, Law & Regulation to complete the conveyance process to acquire the empty home.
 - The Head of Facilities Management to tender the refurbishment works for the empty homes in accordance with the Council's Standing Orders Procedures.
9. That the Executive notes the partnership working within the council and other agencies as detailed in Appendix 4.
 10. That the Executive approve the creation of three new posts to the Council's establishment. These posts will be an Empty Homes Officer, Project Administrator and Technical Officer. The salary grading of these posts will be approved by an Individual Member Decision following the Job Evaluation Process.
 11. That the Executive revise the Empty Homes Programme budget as detailed in the Housing Investment Programme 2012/13 from £1,454,243 to £2,000,000. The remaining HCA allocation and matched funding from the Council of £3,391,458 will be included in the 2013/14 Housing Investment Programme under the Empty Homes Programme.

REASONS FOR RECOMMENDATION

12. The Empty Homes Clusters Programme gives the opportunity to address the empty homes in the proposed areas, bringing them back in to use, and through working with our partners addressing other associated problems to make the cluster locations desirable places to live.
13. The cluster locations that have been chosen all have high numbers of empty homes and fall within the boundaries laid down in the bidding criteria from the Homes and Communities Agency.
14. Delegated authority to the Head of Housing and Development Control in consultation with the Leader is required to ensure the programme is delivered to the challenging timescales. All funding for this programme must be committed by March 2014, with this in mind Officers will determine which empty homes within the cluster locations are most suitable for intervention and the type of intervention required whilst being mindful of the funding criteria stipulated by the HCA. These properties will then be discussed and agreed with the Leader. Officers are currently developing the criteria that will determine the selection of individual properties and the intervention applied and these criteria will be subject to approval by an Individual Member Decision.
15. To ensure delivery of the programme further staff will be needed. This will include an Empty Homes Officer, Project Administrator and a Technical Officer who will work within the Housing and Development Control Unit.

16. To ensure The Empty Homes Clusters Programme is delivered and that the cluster locations are transformed into desirable neighbourhoods the Housing and Development Control Unit requires assistance through their partnerships with other agencies and Council Units.
17. To ensure the required budget to deliver the first year of the programme is included in the Housing Investment Programme for 2012/13.

SUMMARY OF KEY POINTS

Background

18. There are 2089 empty properties in Burnley, a quarter (560) of these have been empty for over 2 years. They cluster to form 20% of the total housing stock in some areas and attract associated problems of anti-social behaviour, crime and fly tipping. Tackling empty homes is a priority for the Council and for PLLACE. Subsequently early this year the Council successfully secured resources from the Homes and Community Agency (HCA) to deliver two new programmes which will address empty homes.
19. Firstly through a Lancashire consortium bid lead by PLLACE the Council successfully secured funding for Registered Providers to provide affordable social housing. The main eligibility criteria for this programme being that the properties must end up in a Registered Providers ownership or management. This Programme is known as **Linked Up**. For Burnley this funding means that we will be bring around 68 empty homes back into use. The Council will assist Calico in acquiring and renovating 35 empty homes for them to re-let as social, affordable rents.
20. The remaining 33 empty homes will be brought back into use through a loan and Private Sector Leasing Scheme which will be administered by the Together Housing Group.
21. The second programme is a total budget of £7,102,067; this includes the HCA allocation and both public and private sector match funding. The programme will bring approximately 175 empty homes back into use. This programme is known as The Empty Homes Clusters Programme. Officers will be coordinating the two new programmes to ensure that they complement each other to gain maximum success in bringing the empty homes back into use.
22. The main eligibility criteria for the Empty Homes Clusters programme states that a minimum of 100 empty homes must be brought back into use; that delivery is within a distinct area with over 10% of homes empty, and each cluster represents more than 25 empty homes; there is a clear and demonstrable high level strategic fit including local authority and community support and there is a commitment to providing 100% match funding.

23. The funding available may be used to bring empty homes and other types of property (including commercial property) into use as housing as part of a neighbourhood approach. This includes property currently in private and public ownership, although existing social housing is not eligible for funding.
24. Funding should target long term empty properties (empty for longer than 6 months) which on average have been empty for at least two years, though there will be flexibility to take account of local circumstances. These properties must have good long term prospects in terms of occupancy and demand.

Proposed Programme

Areas

25. All the clusters proposed in this report meet the programme criteria. The Brennand St area has a total of 592 properties with 95 of these being vacant. This amounts to 16% of the properties. The Gannow Lane area has a total of 521 properties with 83 (16%) of these being vacant and finally the Trinity area has 729 properties with 117 (16%) of these being vacant. These areas have been selected for intervention under the clusters of empty homes programme because they present the best opportunity for sustainable intervention to tackle the problem of a localised concentration of empty homes.

Partners

26. The programme must include other partners such as the Police and Private Rented Sector, although the funding is to tackle the empty homes we have a wider remit in jointly tackling other social issues which could deter perspective residents from moving into the area. Changing the type of accommodation on offer in these areas and improving the physical living environment are key to attracting people into the cluster locations. A further report will be brought before the Executive in due course to set out the detail of improvements to the living environment as the programme develops.

Interventions

27. There are a number of approaches that we are proposing to ensure effective programme delivery:
- Loans to the owners of empty homes to enable them to bring the properties back in to use. These loans will be for an amount up to £6,000 and will be match funded by the owners;
 - Purchase Assistance Loans to people wanting to buy properties in the clusters locations as their main residence.
 - Refurbishing properties including a number of properties being remodelled (i.e. two in to one),
 - General environment and security of the areas.

28. There are a number of properties that will need to be purchased with this funding. Properties will either be purchased by agreement with the owners or they will have to be Compulsory Purchased using Housing Act powers. Further reports to the Executive will be made as appropriate to gain approval for any Compulsory Purchase Orders.
29. There are two other reports on the agenda for this committee which complement this report:
- The Loans Policy for Empty Homes details the delegated authorities required for the approval, payment and administration of the loan repayment scheme.
 - The Disposal Policy for Empty Homes details how the Council will re-sell the empty homes acquired under this programme.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

30. Burnley Borough Council will be the Accountable Body for the allocated funding and will be responsible for delivery of the scheme and reporting outputs to the funding body the HCA. The overall programme must be committed by March 2014 and is £7,102,067.
31. The HCA has agreed a funding grant of £3,551,033.51 which needs to be matched through the councils own funds and through private sector investment. The council has committed £1,840,425 through the Housing Capital Investment Programme to tackling the problem of empty homes in the three cluster locations over the course of this programme (to the end of March 2014). The remaining matched funding of £1,710,608.5 will be met through the private sector from the owners of the empty homes.
32. Financial provisions for new staff to enable delivery of the scheme were built in to the funding bid and these amounts to approximately £327,000. This cost includes new staffing posts within the Housing and Development Control Unit and internal staff costs such as People, Law & Regulation, Finance and Property Management and Facilities Management. The programme will require additional staffing resource to commit the funding by March 2014. This will include project planning and management, conducting all the necessary inspections and processing the corresponding records, intensive, on-going liaison with property owners, preparing and implementing the programme of Compulsory Purchase Orders and work on market testing and housing needs assessments.

POLICY IMPLICATIONS

33. Overall, the proposed action will help to achieve the Council's strategic plan of "People Places and Prosperity". The acquisition and renovation of the empty homes will enable the Council to assist in bringing them back into use, which will improve the environment for residents in the vicinity of the empty homes by reducing the potential for crime and anti-social behaviour.

DETAILS OF CONSULTATION

34. None

BACKGROUND PAPERS

FURTHER INFORMATION

PLEASE CONTACT:

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