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<b>REPORT TO:</b>	<b>Housing and Community Services Committee</b>	<b>AGENDA ITEM: 8</b>
<b>DATE OF MEETING:</b>	<b>19<sup>th</sup> April 2012</b>	<b>CATEGORY: DELEGATED</b>
<b>REPORT FROM:</b>	<b>Director of Operations</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>Beverly Wagstaffe (01283 228759)</b>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>Capital Investment - Empty Homes</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>All</b>	<b>TERMS OF REFERENCE: HCS01</b>

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## **1.0 Recommendations**

- 1.1 Members agree to commit the £100,000 allocated capital funding to support the delivery of the new Empty Homes Strategy by:
- providing a grant to first-time buyers for properties requiring work to remove assessed priority hazards and
  - supporting an empty homes grant scheme to homeowners/landlords to encourage the bringing back into use of homes vacant for more than 2-years.
- 1.2 That the first-time buyer funding is allocated on a “first-come” basis for a 12-month period.
- 1.3 That the Strategic Housing Manager be delegated discretion to target grants at homeowners of specific empty homes vacant for more than 2 years across the district as a way of encouraging them to bring homes back into use.

## **2.0 Purpose of Report**

- 2.1 To seek Members approval to use the £100,000 capital funding agreed at Finance and Management Committee held 12<sup>th</sup> January 2012 (resolution FM77(10)) to support the delivery of the New Empty Homes Strategy 2012 – 2017.

## **3.0 Detail**

- 3.1 On 12<sup>th</sup> January 2012 Finance and Management Committee agreed to £100,000 of capital funding to be ring-fenced to support Empty Property Initiatives and Disabled Facility Grants subject to a report to this Committee on the options to allocate this funding.
- 3.2 Members will recall that a New Draft Empty Homes Strategy was presented to this Committee at the meeting held on 24<sup>th</sup> November 2011. The consultation period for this Strategy has now ended resulting in no substantial changes. Members were informed that without any funding to incentivise homeowners/landlords that the Strategy would in essence be restricted to the giving advice and taking out of enforcement action.

- 3.3 In January 2012 there were 376 long-term empty homes across the district of which 100 have been empty for more than 2-years. The majority of properties vacant for less than 2-years tend to be in reasonable condition requiring only minor repairs (if any). It is those properties vacant for several years, which deteriorate over time making it more costly for owners to bring them back into use, which tend to stay empty without encouragement/incentives.
- 3.4 Priority 2 of the adopted New Empty Homes Strategy is to “encourage owners to bring homes back into use to meet an affordable housing need”. With limited capital funding available the proposal is to utilise the £100,000 to support delivery of this priority by:-
- Providing up to a £9,000 grant to owners of properties vacant for more than 2 years to support the renovation of properties to meet the Decent Homes Standard in return for the property being let at an affordable rent level (the local housing allowance rate) to households on the Council’s housing waiting list for a minimum 5 year period. Members should note that bringing a home back into use would result in an income for the Council via the New Homes Bonus of approximate £1,500 for a 6-year period (£9,000).
  - To pilot a first-time buyers scheme by offering grant of up to £5,000 towards the cost of renovating an empty home to eliminate any Category 1 Hazards as defined by the Housing Act 2004. It is anticipated that in these cases properties will have been vacant for less than 2 years and will generally require only minor repairs although specifically works will include rectifying assessed hazards.
- 3.5 The proposal is that a minimum of 2 first-time buyer schemes be supported up to a maximum of £10,000 of the total available funds and that the remainder of the funding £90,000 is allocated to the empty homes grant scheme.
- 3.6 It is proposed that the first-time buyer funding is allocated on a “first-come” basis for a 12-month period, after which the Strategic Housing Manager has the discretion to use the balance of any funding to support the empty homes grant scheme. With regards to the empty homes grant scheme, it is proposed that the Strategic Housing Manager be delegated discretion to target grants to homeowners of specific long-term empty homes across the district as a way of encouraging them to bring homes back into use.
- 3.7 Members will note that there is no specific proposal to use this capital allocation to support delivery of disabled facility grants. Since the Finance and Management Committee meeting of 12<sup>th</sup> January 2012 Members have agreed to a rent increase for the Council housing stock which includes a proviso that the backlog of Council tenants disabled adaptations are reduced. A recent review of the Architectural Services for disabled adaptations also released a further £16,900 for private adaptation works. Hence, the reason why it is not proposed that at this stage to allocated any of the new capital funding (£100,000) to disabled adaptations.

#### **4. Financial Implications**

- 4.1 £100,000 capital investment agreed at Finance and Management Committee on 12<sup>th</sup> January 2012.
- 4.2 If the proposal is successful income will be generated by the initiatives through the new Homes Bonus mechanism

#### **5.0 Corporate Implications**

- 5.1 The Empty Homes Strategy supports delivery of the Corporate Plan “Safe & Secure” theme by contributing to the key projects: -
- SP01 – Facilitate new affordable housing for people unable to access market housing.
  - SP02 – Improve the current house conditions across the private/public stock.
  - SP05 – Develop and implement an Empty Property Strategy.

## **6.0 Community Implications**

- 6.1 Action to make use of empty homes addresses a number of social, economic and public health issues. Empty homes can attract vandalism, fly tipping and anti-social behaviour and generally have a negative effect on the neighbouring areas and the residents that live there.
- 6.2 Returning empty homes back into use can make a positive contribution to the overall health and well being of local residents as well as contributing to the shortfall in affordable homes.