1. Meeting: Cabinet Member for Housing and Neighbourhoods
2. Date: 31st March 2010
3. Title: Empty Property Update Report
4. Directorate: Neighbourhoods and Adult Services

5. Summary

On the 4th January 2010 the Cabinet Member for Housing and Neighbourhoods received an Empty Property Progress Report. Minute No. J112 requested that a more comprehensive progress report should be submitted in March 2010.

This report includes analysis, activity, and the specific actions that the Council and its partners are undertaking to reduce both public and private sector long term voids and includes a draft Empty Residential Property policy which identifies a systematic approach is being used in addressing empty properties Boroughwide.

6. Recommendations

That the Cabinet Member:

- Notes progress and the joint approach being used in addressing both public and private sector long term empty properties
7. **Background**

The government set a target nationally (PSA7) that 70% of vulnerable households are to be living in decent homes by 2010. The Council’s 2007 Private Sector Stock Condition Survey identified that in Rotherham 75.8% of private sector households do live in decent housing so therefore the target had been met.

There are however, pockets of non-decent private sector housing which add to long term void numbers. Strategic action planning is required and in some areas is already underway, to support further improvement in decency standards.

Further to this and following a review of empty properties by Sustainable Scrutiny Panel; Members raised several areas of concern relating to the level of both Council owned and private sector voids.

Much of the concern related to specific void properties within Member Wards or in specific areas of the Borough and as a previous report, submitted in January 2010, did not fully answer or satisfy these concerns. Members asked that a full comprehensive report be re-submitted in March 2010.

This report details the actions now being taken to address long term empty properties and the issues that can have a bearing on achieving desired outcomes.

7.1 **Demographic change**

A recent review of current statistics indicates that that the empty homes picture for the Borough is changing and that the mid-year outturn (2009/10) for Rotherham demonstrates that the number of empty properties in the Borough has reduced to 3,881 (3.53%), from 4,273 (3.88%).

These figures include an amount of short term empty properties (less than 6 months) which are deemed vital to allow the housing market to function effectively and to facilitate both residential mobility and the improvement or redevelopment of the housing stock.

It is recognised and has been identified that there are site specific locations, for instance centrally and in the south of the Borough where high levels of deprivation, crime and private sector landlords does affect the Councils ability to bring private sector properties back into use easily.

Housing demand in these locations is affected by the demographic changes taking place boroughwide and low demand is based specifically around the private sector stock condition and location in many cases.
These areas being targeted are site specific and across tenure; actions are being strategically aligned, using a joined up approach involving Neighbourhood Investment Services, Key Choices, Community Protection Unit and 2010 Rotherham Ltd and other partners.

The table below identifies those wards where there has been high demand for housing based on Key Choices monitoring of Choice Based Letting requests and the wards where there are the highest numbers of empty properties and low demand.

The table demonstrates that in the wards Keppel, Wickersley, Sitwell, Swinton, Wingfield, Valley, Brinsworth and Catcliffe, Anston and Woodsetts, and Hellaby, the level of properties vacant for longer than 6 months is at, or below, the Borough average.

The following wards have above Borough average numbers of dwellings vacant for longer than 6 months; these are listed with key issues in the area.

- **Holderness**: Vacant new build properties
- **Wales**: Vacant non-traditional council stock
- **Rother Vale**: New build and private sector rent vacants
- **Hooper**: Private sector and Council investment requirements
- **Rotherham East**: Private rented sector vacants
- **Silverwood**: Vacant new build developments
- **Wath**: White Bear estate and vacant new build development
- **Rawmarsh**: Bellows Road and major works to some Council stock
7.2 Current Activity

The Council is currently focusing activity cross-tenure, around long term (over 6 month) empty properties, and in doing so has identified site specific target areas of the Borough.

Public and private sector empty properties are being addressed strategically, using a joined up approach, involving NIS, Community Protection Unit, 2010 Rotherham Ltd, Area Regeneration Co-ordinators and Neighbourhood Area Teams.

An Empty Property Steering Group, co-ordinated by NIS has been formed and its primary objective is to achieve:

- A reduction of long term voids,
- Improved void turn around periods in support of area investment programmes and to minimise rental / income loss.
- Targeted enforcement activity in worst affected areas.
- A summary Action Plan to draw activity together and monitor progress.

This will allow the Council to focus action on areas where both private sector and council owned long term voids are an issue, and task specific areas of the service. The Action Plan is attached at Appendix 1.

7.3 Monitoring and Outcomes:

Private Sector

In order to monitor long term empties in the private sector, the Council has retained local indicator BVPI64 (NAS22) and successfully utilised non-statutory initiatives that have contributed towards achieving government targets, such as:

- Key Choices Landlord Accreditation Scheme and
- Key Choices Property Management Service
- KC Housing Solutions Service – assisting with mortgage repossessions
- Demolition
- Registered Social Landlord intervention

The Council also utilises the Community Protection Unit’s statutory enforcement powers to educate and advise owners of opportunities to bring private sector empty properties back into use.
The following table shows the private sector outcomes, that is the number of private sector empty properties that have been brought back into use over the last three years; the target figure set for the current year is 135.

<table>
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<tr>
<th>Agency</th>
<th>2006/07</th>
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<td>Key Choices Property Management</td>
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<td>3</td>
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<td>Demolition</td>
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<td>18</td>
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<td><strong>15</strong></td>
<td><strong>79</strong></td>
<td><strong>122</strong></td>
<td><strong>110</strong></td>
</tr>
</tbody>
</table>

* Figures are for the first three quarters of the financial year.

**Public Sector**

Neighbourhood Investment Services are working closely with 2010 Rotherham Ltd to reduce long term voids in the Council’s stock. Concentration is on properties vacant for over 16 weeks.

The working group consists of members of the In-House Service Provider (Empty Homes, Decent Homes and Asset Management Teams) and has identified reasons why each property is void and what actions are being taken to resolve this. In general, long term vacant council owned dwellings fall into the following categories:

- Identified as needing a high level of investment
- Awaiting or undergoing major improvement works
- Programme alignment issue such as requirement to carry out structural works prior to decent homes works on non-trad properties.
- Lack of funding
- No or low demand (flats over shops etc)

2010 Rotherham Ltd and NIS have agreed a plan of action relating to 116 long term voids. So far, 27 long term voids have been brought back into use since November 2009 and the overall target has been set to reduce the level of long term voids (over 16 weeks) to 75 by the end of March 2010.

The overall target is to reduce all Council owned voids from over 440 at its peak to 200, to be achieved by the end of March. 2010 Rotherham Ltd is currently on target to deliver this. As at 15th February the figure was 287; however continued success may be affected by:

- high termination levels
- adverse weather conditions affecting work programmes
- unforeseen works extending work programmes and
- current advertising procedures linked to bidding processes
Public and Private Sector:

In order to succeed in reducing empty properties and bring homes back into use across the Borough, these public and private sector outcomes have been drawn together.

The Community Protection Unit has led on the production of a draft Empty Residential Property policy that provides a systematic approach and takes into account the recent Public Sector Empty Property Strategy currently managed by 2010 Rotherham Ltd.

7.4 Draft Empty Residential Property Policy:

The draft Empty Residential Property Policy will set out the continuation of a multi-agency approach in addressing empty homes cross-tenure. The following details those approaches and includes progress made during January:

- Using a statutory approach to ‘chasing-up’ long-term empty properties,
  - Database and reporting procedure established and administration support identified.
  - Letters to landlords and property owners to be sent by end February.
- Develop legislative tools such as Enforced Sale Procedures and Empty Property Management Orders not currently used by RMBC,
  - CPU and Legal have agreed a procedure and the Empty Property Database will trigger enforcement action.
- Promote the private sector housing web pages on the Council web site and increase advertising opportunities,
  - Web page now established – 105 ‘hits in the first month and 15 e.mail enquiries.
- Consider how financial assistance such as equity based loans and grants to bring properties back into use and achieve decency can be explored,
  - The Council are exploring extension of service provision with Anchor.
- Utilise opportunities to work with key choices in relation to the housing register and help promote private sector opportunity,
  - Key Choices continuing to increase the level of engagement.
- Analysis of housing demand in relation to the location of long-term empty properties within the Borough,
  - Quarterly tracking of data at Ward level now established.
- Identifying additional resources to support initiatives specifically targeted to property type and location,
  - Benchmarking against LAs commenced and best practice captured in the draft Empty Residential Property Policy.
- Aligning interventions and actions with regeneration activity within the more deprived areas of the Borough,
  - Pro-active activity continues in Maltby and Dinnington, and
  - Demolition continues at Maltby, Dalton and Canklow.
8. **Finance**

Funds to enable the demolition of inappropriate private sector housing and RSL renovation projects are met through capital budgets managed by Neighbourhood Investment Services (NIS).

The HIP budget comprises a small element related to bringing back into use void properties. There is no funding allocated for direct capital investment in the areas earmarked for regeneration in the external funding programme, but £400,000 has been budgeted for structural repairs on 25 Council housing dwellings in the 'one off properties' budget.

A small proportion of the Regional Housing Board funding of £108,000 2009/10 and £73,000 2010/11, approximately £36,000, is currently used to provide targeted actions that contribute towards bringing empty properties back into use via the Pro-active Enforcement Team, currently in the designated areas of Dinnington and Maltby; however this funding ends in August 2010.

There are no further funding pots or set budgets identified to support specific empty property management activity. Initiatives, with the exception of pro-active enforcement until August, are currently delivered within existing revenue budgets through Neighbourhoods and Adult Services.

In order to ‘step-up’ activity to reduce the level of long term empty property in the Borough; or to extend targeted intervention by CPU Officers beyond August 2010, new funding would have to be secured or made available.

In the absence of funding for targeted activity, the emphasis has to be on joined up delivery using existing resources and initiatives identified in the Empty Property Group action plan.

9. **Risks and Uncertainties**

Failure to reduce the number of empty private sector properties throughout the Borough may have an adverse impact on:

- the Councils CAA rating;
- Target to achieve PSA7 for the private sector by 2010.
- BVPI64 measurement of empty properties brought back into use
- BVPI98 measurement of the percentage of people satisfied with cleanliness and standards
- BVPI199 measurement of street cleanliness.
- Targets contained within the Anti-Social Behaviour Strategy and the overall drive to reduce the fear of crime.
- Support for the Homelessness Strategy – provision of suitable housing.

Uncertainty around the following matters should also be considered:
- Housing Market Renewal (TSY) future funding is not yet determined.
Regional Housing Board funds are to be reduced for 2010/11 and therefore there is a greater need to work more effectively and ensure value for money is achieved when bringing empty properties back into use.

Targeted enforcement activity ends in August 2010 after which the posts, in CPU, will not be supported by RHB funding.

10. **Policy and Performance Agenda Implications**

The works carried out contribute towards the Corporate and cross cutting policy agenda related to Regeneration and in particular the priority for improving and promoting the image of Rotherham.

Empty properties being brought back into use contributes towards our key corporate strategic themes of:-

- Rotherham Proud
- Rotherham Safe

The benefits of adopting an Empty Property Policy, when considered within a regeneration context, are as follows:

- An increased supply of affordable housing
- Older properties brought up to a decent standard therefore improving the quality of the housing stock
- Retaining property that is of a Community or architectural value
- Reducing crime and disorder and the fear of crime
- A more sustainable housing market within targeted areas
- Contribute towards a strong, balanced housing market and sustainable neighbourhood

Contribution to the Corporate Assessment – The introduction of an Empty Property Policy helps to demonstrate commitment to tackling non-decency in the private sector (PSA7). PSA7 is a Neighbourhood Renewal Floor target and a responsibility of the LSP. Also, reducing the number of private sector properties empty for more than 6 months contributes towards the CPA rating.

Contribution to BVPI Performance:

- BVPI64 - Private Sector Empty Properties brought back into use
- BVPI98 measurement of the percentage of people satisfied with cleanliness and standards
- BVPI199 measurement of street cleanliness.
- BV212 - Time taken to relet a property
- BV69 - Rent loss through voids.
- PSA7 - Tackling non-decency in the private sector
- NI156 - Number of households living in temporary accommodation
- NI155 - Number of affordable housing units

The Council’s refreshed Housing Strategy identifies the need to make best use of the Borough’s existing stock and bringing long-term empty properties back into use will contribute towards providing affordable housing of choice and creating sustainable communities.
11. **Background Papers and Consultation**
Draft Residential Empty Property Policy
2010 Rotherham Ltd: Empty Property Strategy and Action Plan
Minute 188 20/04/09 Cabinet Member for Neighbourhoods: Private Sector
Empty Property Policy Progress Report
Minute J112 04/01/10 Cabinet Member for Neighbourhoods: Private Sector
Empty Property Policy Progress Report

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**Appendix 1** Empty Property Action Plan (Work in Progress Document):