

Report to Housing Scrutiny Standing Panel

Date of meeting: 23rd October 2012

Portfolio: Housing – Cllr David Stallan

**Subject: Progress Report on the Work of the
Technical Officer dealing with Empty Properties and
Park Home Sites within the Private Sector Housing (Technical) Team Key Action Plan**



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Recommendations/Decisions Required:

That, following the Cabinet decisions in November 2009 and September 2011, the work carried out by the Technical Officer post in the Private Sector Housing (Technical) Team, that deals with empty properties and park home sites, be noted.

Report:

In November 2009, the Cabinet agreed to the addition of a part-time, temporary post in the Private Sector Housing (Technical) Team to assist with bringing empty properties back in to use and to help with the licensing of the District's park home sites (C-052-2009/10). This was with the proviso that a report was made after 12 months on the work undertaken by the Officer concerned.

In September 2011, the Cabinet agreed to the existing post being made full-time and permanent. This was agreed in order to maximise the potential income to the Council through the New Homes Bonus which at that time was estimated to be in the region of £210,000 over 6 years and also to complete the issuing of new standard park home site licence conditions to all the permanent residential sites in the District and once issued, to ensure their compliance.

The existing post holder had resigned in August 2011 and the new full-time permanent post was filled in February 2012. The fact that the post was empty for nearly 6 months will have undoubtedly affected outcomes in respect of bringing empty properties back into use and progress on the licensing of park homes. In addition, in the period prior to the Olympics, the Officer now in post was involved in inspecting the District's 6 touring and camping sites to ensure health and safety standards were met in preparation for visitors to the Games. This took her away from her general empty property and park home responsibilities.

Empty Properties

1. A systematic procedure has now been established for dealing with empty properties in the private sector. This begins with tracing and communicating with property owners or other interested parties to establish why the property in question has been left empty. Once communication has been established, the Technical Officer determines how best the Council can assist the owner in bringing the property back into use. This can be

time consuming, as a successful outcome is often as a result of gentle, but persistent, pressure towards letting or selling.

2. Since the last progress report to Cabinet in September 2011, the Team now has access to Council tax records which greatly assists the Technical Officer by providing up to date information on the status of a property, the contact details of the owner and other information that may be relevant in tracing them.
3. The Council can offer financial incentives to bring properties up to the Decent Homes Standard and, afterwards, to provide affordable accommodation for tenants or owner occupiers. As each property is brought back into use, the Council Tax data is updated and the property is removed from the long-term empty property list.
4. The PLACE (Private Lease Agreements Converting Empties) Scheme is one form of financial assistance available. The Scheme is funded by money originally received as a result of a consortium bid to the East of England Regional Assembly. The Scheme runs at no cost to the Council other than the administration process by the Technical Officer. It currently offers high level grants of up to £50,000 to an owner in return for leasing the property for 3 years to the Consortium's preferred partner, Genesis (formerly Pathmeads Housing Association), during which time the owner receives no rental income.
5. In June 2011 the previous Portfolio Holder for Housing agreed to the PLACE Scheme being extended to offer smaller grants and loans to owners of empty properties. The grant will allow an owner to take out a smaller grant to renovate their home and then lease it for an agreed period of time, dependant on the amount of grant, but also receiving some rent themselves during the lease period. The PLACE Small Grant is now available to owners and the first three applications are being considered.
6. Interest free loans will be available in the near future, once approved by Legal Services, up to a maximum of £25,000 per unit on either a 'loan-to-sell' or 'loan-to-let' agreement. The loans will be repayable and will be recycled back into the PLACE Scheme funds.
7. The Council previously offered an Empty Homes Grant of up to £10,000 to owners of empty properties who did not have the resources to fund essential works. However, following a major review of the Private Sector Housing Strategy and the Private Sector Housing Assistance Policy, the Council now attaches conditions requiring all grants to be repaid when the recipient sells the property. In line with this, the Empty Homes Grant has been replaced with the Empty Homes Repayable Assistance, which is effectively an interest free loan. This is up to £10,000, repayable on the sale of the property and is available to owners wanting to live in the property themselves. The loan has been available from July 2012 and officers are currently processing one application with several other owners showing interest.
8. In some cases, where a problematic empty property exists and the owner is either absent or is un-cooperative in bringing their property back to use, it is necessary to consider enforcement action. This could be Enforced Sale, Compulsory Purchase (CPO) or making an Empty Dwelling Management Order (EDMO). Officers follow the Private Sector Housing Enforcement Policy in such cases, seeking Member approval where appropriate.
9. The previous Housing Portfolio Holder agreed that PLACE funding can be used to support enforcement action where necessary. Following further Portfolio Holder approval, an Interim Empty Dwelling Management Order (EDMO) was made in May 2012 on a long term problematic property in Loughton. The effect of the Order is to focus the owner's attention on taking responsibility for their property and to bring it back in to use. Where there continues to be no progress, the Council will then make a 'Final

EDMO' which will result in the Council using PLACE monies to bring the property up to a lettable standard, housing a local family in need and then leasing it to Genesis Housing Association for the period of the EDMO.

10. The new Technical Officer spends approximately 18 hours a week dealing with empty properties, for which there is a target in the Private Sector Business Plan 2011-2013 to bring 30 empty dwellings per annum back into use. The table below indicates the number of long term empty properties that have been brought back into use through Council intervention in recent years. This clearly shows how effective the Technical Officer post has been in meeting and exceeding the Performance Indicator target, since the time the post was filled in July 2010. The figures have been maintained and are projected to be even better for 2012/13, even though the post was unfilled for 6 months from August 2011.

Table 1: Number of Empty Properties brought back into use annually since 2006/07

	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	
							Q 1	Q 2
Number of empty properties returned to use	0	4	4	3	45	60	8	20

11. The figures above indicate the number of properties brought back to use through local authority intervention. This means some positive action was taken by an officer that directly influenced the property being brought back into use. Writing a letter is not considered to be 'positive action', but giving information and discussing options that ultimately result in the property being occupied does count, as does taking enforcement action or providing financial assistance.
12. The New Homes Bonus (NHB) was introduced by the Government in April 2011 to create an effective financial incentive to encourage local authorities to facilitate housing growth. As well as applying to new homes built, the NHB also applies to long-term empty properties that are brought back into use. The Bonus is calculated by comparing the number of dwellings for which Council Tax is collected in a local authority area from October in one year to October in the following year and 'rewarding' any net increase. The number of long-term empty properties is deducted from the total number of dwellings on the Council Tax list. This 'netting off' of long-term empty properties means that any reductions in the number has the same effect as building new homes and, conversely, any increases in the number of long-term empty properties has the same effect as a reduction in new homes.
13. The table below gives a breakdown of action by the Technical Officer that directly and indirectly has resulted in empty properties being brought back to use. This is important because every property that is taken off the empty property list contributes towards the New Homes Bonus. While the bringing back into use of a total of 28 properties can be directly attributed to the work of the Technical Officer in the first two quarters of 2012/13, a further 178 properties have been taken off the empty property list following an initial standard letter or follow up letter – which also counts towards the NHB.

Table 2: Breakdown of means used to bring empty properties back into use in 2011/12

Empties returned to use by...	2012 Q1 (April to June)	2012 Q2 (July to September)
Letter 1	21	59
Letter 2	49	49
PLACE	1	0
PLACE small grant	0	0
Advice/ assistance	4	19
Empty Homes Renewable Assistance	0	0
Enforcement	3	1
Total	78	110
Total brought back through LA intervention (total minus Letter 1 and Letter 2)	8	20

14. To date, the actual amount of New Homes Bonus as a result of the 'empty homes element' is nil. However, this is as a result of the returns for October 2010 and 2011 during which time the Technical Officer post was either part-time or not filled. With a full-time officer in place (albeit tasked with dealing with empty properties for half a week), it is projected that the momentum for returning properties to use will now be maintained and that the 'empty homes element' will begin to contribute positively to the New Homes Bonus.

Licensing of Park Home Sites

15. It is a statutory requirement for local authorities to issue licences on all their park homes sites and to decide what conditions to attach. In 2008, the Government produced new standards for permanent residential park homes sites, providing a framework upon which councils can base the conditions they attach when re-licensing sites.
16. The existing site licence conditions for park home sites in Epping Forest District had not been reviewed for many years. New proposed standard park home site licence conditions for permanent residential sites were produced to ensure conditions are relevant, consistent and will adequately protect the health and safety of people residing at, or visiting, sites within the District. These were agreed by Cabinet in April 2011 following a second consultation exercise with residents and site owners (C-069-2010/11).
17. However, during the course of Officers' inspections, certain anomalies came to light which, not being specifically covered in the Conditions, officers felt that a determination from Members on the interpretation to be adopted was required. It was agreed that site owners and park home residents should be consulted on these further matters and that their views should be considered further by the Housing Scrutiny Panel. A meeting also took place in January 2012 between the former Leader, the former Housing Portfolio Holder, and representatives of Essex County Fire and Rescue Service (ECF&RS) at which they expressed their views. The Cabinet agreed on 23 July 2012 that revised 'Standard Park Home Site Licence Conditions for Permanent Residential Sites' be adopted which included clarifications and variations relating to smoke detection in porches; decking and porches being structures; fence height and definition of a hedge.
18. Following the Cabinet decision, the Technical Officer has written to all site owners and Residents' Associations informing them of the outcome. The site owners have been

provided with a summary sheet of existing contraventions that will be tolerated by virtue of the fact they existed prior to the issuing of the new site licence. The Technical Officer will use this as a basis for determining compliance with the site licence conditions.

19. It is anticipated that new site licences with standard site licence conditions will be issued to all site owners by November 2012. It will then be necessary to monitor them to ensure compliance with the site licence conditions and deal with any matters from residents or site owners relating to the licence or management of the site. This will continue to require two days a week of an Officer's time on an ongoing basis.