

	<h2>Housing Committee</h2> <h3>2nd February 2015</h3>
<p style="text-align: right;">Title</p>	<p>Empty Property Task and Finish Group</p>
<p style="text-align: right;">Report of</p>	<p>Cath Shaw Director of Commissioning – Growth and Development</p>
<p style="text-align: right;">Wards</p>	<p>All</p>
<p style="text-align: right;">Status</p>	<p>Public</p>
<p style="text-align: right;">Enclosures</p>	<p>Appendix A – Report of the Empty Properties Task and Finish Group Appendix B – Amendments to the Private Sector Housing Financial Assistance Policy</p>
<p style="text-align: right;">Officer Contact Details</p>	<p>Belinda Livesey – Group Manager (Private Sector Housing) 0208 359 7438 belinda.livesey@barnet.gov.uk</p>
<h2>Summary</h2>	
<p>It was resolved by a Management Overview and Scrutiny Committee, 7 October 2013 that a Task and Finish Group review of Empty Properties be convened to complete by the end of March 2014.</p> <p>The conclusions from this group were presented to Budget and Performance Overview and Scrutiny Committee 13th March 2014 and Cabinet 2 April 2014. This report provides an update on the recommendations made by Cabinet.</p>	

<h2>Recommendations</h2>	
<ol style="list-style-type: none"> 1. That the Committee note the follow up action taken in relation to the recommendations from Cabinet in relation to long term empty properties. 2. That the Committee note that the funding of empty property work is dependent on external funding and as such proactive work to tackle empty properties is at risk when the funding ceases. 	

1. WHY THIS REPORT IS NEEDED

1.1 This report was requested by Cabinet on 2nd April 2014 prior to changes in the committee structure.

1.2 The recommendations agreed by Cabinet were:

Recommendation 1: The Council should substitute the existing 'refurbishment loan offer with a competitive grant funding option tied to tenancy nomination rights. Officers should evaluate the offer against those of comparable local authorities and review annually.

1.2.1 The existing "refurbishment loan" was replaced with an Empty Property Grant in June 2014. This was combined with external funding. Details are contained in Appendix B.

1.2.2 There has been one case completed, and nine definite grants in the pipeline. These properties will provide a total of 22 bedrooms for Barnet Homes to make available to tenants for a period of five years. Whilst it has taken a long time to build up some momentum in the programme, this is a significant improvement on the period 2012-14, when only 2 cases were completed.

Recommendation 2: Barnet Homes should be encouraged to develop a clearer range of competitive offers for owners of empty properties.

And;

Recommendation 3: In partnership with Barnet Homes, the Private Sector Housing team should develop a cohesive promotional programme to raise awareness of work being done to address empty properties in the borough.

1.2.3 The Environmental Health Department in Regional Enterprise (Re) continue to work with Barnet Homes to ensure that the available grant product is attractive to prospective landlords.

1.2.4 The grant was promoted jointly to owners of empty properties in the borough at an Empty Property Work Shop in November 2014. The event was positively received by owners and two more sessions will be run in 2015. The grant will also be promoted through the Landlords Forum and London Landlord Accreditation Sessions to be run in Barnet in 2015.

1.2.5 The grant is also promoted through the Barnet website and was the subject of a press release in August 2014.

1.2.6 Leaflets promoting the grant scheme have been updated and made available to empty property owners and are also available in key public locations across the borough.

1.2.7 Mailshots promoting the scheme are routinely sent to the owners of all empty properties of which the Council is aware.

1.2.8 Social media, such as Twitter is also used to promote the scheme.

Recommendation 4: Information outlining the various options available and highlighting penalties to be imposed for failing to comply with the Council's requirements concerning bringing empty properties back in to use should be produced and distributed with the 2015/16 council tax billing letter. The same information should be sent out every time an owner registers their empty property with the council tax team.

1.3.0 The Environmental Health Service in Re continue to work with Council Tax colleagues to ensure that the scheme is promoted to Empty Property Owners liaising with Council Tax colleagues

1.3.1 The billing letter is deemed to have too much content already to accommodate empty property information, but Council Tax colleagues are exploring the possibility of printing information regarding empty property grants on the envelope that contains the billing letter. It is hoped this will encourage owners to contact the Council.

1.3.2 According to the Council Tax Team's database there are currently 64 Council owned long term empty properties, and 3,892 long term empty properties/second homes. Often properties recorded as second homes with the Council Tax Team are actually long term empty properties. The Environmental Health Service work with the Council Tax Service to rectify any inaccurate recording of the status of a property.

Recommendation 5: To maintain the success of the current empty property programme the Council should develop a comprehensive strategy for the long-term identification and enforcement of empty properties. Enforcement action should be considered readily where it is appropriate to do so. The element of New Homes Bonus received by the Council as a result of empty properties being brought back into use should be disaggregated from the total and reinvested in the programme to support on-going work in this area; alongside other income received as a direct result of action on empty properties. (Note: Cabinet Recommendation 2nd April 2014: with respect to recommendation 5; that funding for work on empty homes is part of the wider contractual funding relationship with Re, and that further work will be needed to identify the funding available for the programme.

1.3.3 The Environmental Health Service (EH) in Re continue to implement an identification and enforcement programme in relation to bringing empty properties back into residential use. There are currently 596 service requests relating to long term empty properties that have been risk assessed and prioritised for enforcement action. In the past 12 months 60 service requests have been received regarding empty properties. The team is also prioritising a new batch of properties from Council Tax colleagues records and targeting owners with multiple empty properties.

1.3.4 EH work with empty property owners to secure property improvement and reoccupation. This is achieved through a combination of offering; in the first instance advice, support and financial assistance, to owners. In 2014 to date,

120 properties have been brought back into residential use. Where this fails to be effective, the appropriate enforcement action is taken. This can be in the form of minor enforcement action to require improvement and/or securing the property, or more severe action with the Council taking over ownership of the property through Compulsory Purchase powers. The Council has an active Compulsory Purchase programme, with 5 cases having been previously approved by the Council. These are currently at various stages of this enforcement action process:

- 1 case at the Lands Tribunal
- 1 case assessed by the District Valuer through the untraced owner process
- 1 case subject to Public Inquiry
- 1 case approved by Committee and investigations due to commence in Hong Kong to trace the owner
- 1 cross undertaking in place

Four more cases have been agreed by the Empty Property Steering Group for a referral to be made to Housing Committee for approval for CPO action to be undertaken.

- 1.3.5 Social media, such as Twitter is regularly used to encourage the public to report empty properties.
- 1.3.6 Environmental Health Services in Re have been organised to ensure that officers routinely out in the borough can readily identify empty properties when carrying out their duties. They also liaise with the police and other street based officers, who have been briefed on helping the Council to identify properties. Officers are trained to identify both empty properties and houses in multiple occupation that require follow up action.

Recommendation 6: The Council should consider replacing the current temporary posts (due to terminate in 2014) within the Private Sector Housing Team with permanent posts dedicated to the identification, recording and inspection of empty properties and Houses of Multiple Occupancy (HMO). This could also maximise potential for fraud referrals to the Council's Corporate Anti-Fraud Team (CAFT).

- 1.3.7 In the Private Sector Housing Team there are two officers that deal jointly with HMOs and Empty Properties, in addition to an officer dedicated to HMO Licensing and a further officer dedicated to empty properties. The staff in the dedicated posts deal with the more complex/substantial areas of work for example CPOs, and consideration of Additional Licensing.
- 1.3.8 Although the staff employed for empty property enforcement were appointed on temporary contracts, the length of the funding stream from the North London Housing Sub-Region for empty property work meant that the staff are, under employment law, in effect, permanent staff. Permanent contracts are being put in place to deal with this issue. However, it should be noted that

when the funding stream comes to an end, these posts will not be funded. Re is contracted to undertake empty property enforcement, however this would be on a purely reactive basis, rather than a dedicated team of officers concentrating solely on this work.

- 1.3.9 The introduction of an Additional Licensing scheme (Licensing of two-storey HMOs) is currently under consideration. If there is sufficient evidence to support the introduction of such a scheme and this is approved by Housing Committee, this scheme will significantly assist in the identification of Houses in Multiple Occupation.

Recommendation 7: The Council should consider introducing a commission scheme to encourage public reporting of empty properties. A cash reward could be paid to anyone reporting a previously unknown empty property that is subsequently brought back in to use and results in New Homes Bonus income being received. This arrangement would provide a benefit to the Council.

- 1.4.0 Council Tax colleagues have not to date found a mechanism for doing this but it is still under investigation.

Recommendation 8: Vacant, or otherwise available, commercial units in the borough should be evaluated in partnership with Barnet Homes for possible conversion to residential use.

- 1.4.1 Where an owner is interested in converting a vacant commercial unit to residential use this is evaluated by EH in partnership with Barnet Homes. Such cases are undertaken on a reactive basis. Conversions from offices to residential apartments are automatically permitted under the new Class J of the Permitted Development Order but may require express planning permission for any external alterations or additions.

Recommendation 9: Officers working on Town Centre Regeneration projects should be required to report possible opportunities for residential use of spaces above shops.

- 1.4.2 Whilst this is not a specific Commitment in the Re contract, it will be undertaken by officers involved in TCs (across Planning Policy and Economic Development).

2 REASONS FOR RECOMMENDATIONS

- 2.1 An update on the recommendations of the Task and Finish Group was requested to be brought forward by Cabinet under the Council's previous governance arrangements.

3 ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 None

4 POST DECISION IMPLEMENTATION

4.1 EH will continue to:

- work with Barnet Homes to promote Empty Property Grants
- promote identification of long term empty properties
- assist empty property owners to bring them back into residential use
- risk assess long term empty properties and take the appropriate enforcement action with the available resources
- work with all key partners in the Council through the Empty Property Steering Group to ensure a joined up approach to bringing long term empty properties back into residential use.

4.2 Bringing 100 long term empty properties back into residential use is one of the Key Performance Indicators used to monitor the performance of Re. Performance against the target is measured on a monthly basis. The target for 2014/15 has already been exceeded with 120 properties brought back into residential use. This allows the team to focus on the more complex enforcement cases as listed in 4.1. Performance against this and future years targets will continue to be monitored by Performance and Contract Monitoring Committee.

5 IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 The empty property programme meets the Council's key Corporate Priorities detailed in the Barnet Corporate Plan 2013-2016 as follows:-

- Create the right environment to promote responsible growth, development and success across the borough: Bringing empty properties back into use preserves the housing stock and improves its energy efficiency. Renovating existing homes has around a 33% smaller carbon foot print than building new homes.
- Support families and individuals that need it, promoting independence, learning and well-being:- Increasing the available housing stock that meets minimum standards will help ensure that more families have access to accommodation which will enable stability in schooling, health care etc.
- Improve the satisfaction of residents and businesses within the London Borough of Barnet as a place to live, work and study: Empty properties can be a magnet to criminal behaviour leading to increased crime in the local area. Bringing empty properties back into residential use will reduce crime and reduce the fear of crime for local residents which will increase residents' satisfaction with their local community.

5.1.2 Barnet's Housing Strategy 2010-2025 key objective is to increase the housing supply, including family sized homes, to improve the range of housing choices and opportunities available to residents. This strategy contributes to this by improving the condition and sustainability of the existing housing stock.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

5.2.1 The funding of empty property work is still dependant on external funding and as such this area of work is at risk when this ceases. Re has a commitment to ensure that this area of work continues, but the scale is dependent on the resources available.

5.2.2 At the start of financial year 2014/15 there was a reserve available of £0.491m available to support Re staff costs in relation to empty property work. This will be partly utilised at the end of March 2015 to fund the current financial year staff costs.

5.2.3 No additional IT is required to undertake this work.

5.2.4 There are no procurement issues to be considered in relation to this report

5.3 Legal and Constitutional References

5.3.1 Annex A To Responsibility for Functions - Membership and Terms of Reference of Committees and Partnership Boards" – sets out the terms of reference of the Housing Committee which includes "All matters relating to private sector housing including Disabled Facilities Grants"

5.4 Risk Management

5.4.1 There is a risk in not dealing with empty properties both in the way Central Government assesses our strategic housing performance and in the way residents see the ability of the Council to intervene in the problems which beset them.

5.5 Equalities and Diversity

5.5.1 Empty and neglected properties can be a blight on the area and the local community that can lead to residents having an increased level of area insecurity and fear of crime in their neighbourhood. Bringing these properties back into use will benefit all members of the Borough's diverse communities.

5.5.2 Any regulatory activity will be carried out in accordance with the current Development and Regulatory Services Enforcement Policy to ensure the objective application of powers and responsibilities.

5.6 Consultation and Engagement

5.6.1 Consultation was completed as part of the original work of the Task and Finish Group.

6. BACKGROUND PAPERS

- 6.1 Business Management Overview and Scrutiny Committee, 7 October 2013, Item 10 - Task and Finish Group Updates – the Committee resolved that a Task and Finish Group review of Empty Properties be convened to complete by the end of March 2014
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=119&MID=6583>
- 6.2 Decisions of the Budget and Performance Overview and Scrutiny Committee 13th March 2014
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=123&MID=7476>
- 6.3 Minutes of Cabinet 2nd April 2014
<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=120&MID=7519#A16793>
- 6.4 Action taken under Delegated Power by Officer 24th June 2014 – Private Sector Housing Financial Assistance Policy Review in Relation to Empty Properties