

Notes of the Overview and Scrutiny Board 'Empty Homes' Task and Finish Group

Held on Wednesday 2nd May 2012

Present: Councillors Akbar, Cato (Chair), Gale and Whittaker

15. APOLOGIES FOR ABSENCE (REF: 1)

Apologies for absence from the meeting were received on behalf of Councillor Rivers.

16. NOTES OF THE MEETING HELD ON 4TH APRIL 2012 (REF: 2)

The notes of the meeting held on 4th April, 2012 were agreed as a true record and the Chair be authorised to sign them.

17. CHAIRS UPDATE

The Chair commented on a letter he had received from a concerned resident of Luton regarding an empty property which had been empty for some 20 years, this was passed on to the Empty Homes Officers to investigate.

Resolved: That the Empty Homes Officer be requested to look into this matter and report the outcome back to the Chair.

18. EVIDENCE GATHERING (REF: 5)

Councillor Shaw, Portfolio holder for Housing

The Portfolio Holder for Housing gave an update on the Council's position regarding empty homes..

He advised that:

- An interim Empty Homes Officer was now in place and the Council is using all available legislation in terms of enforcement action for un-willing home owners.
- Compulsory Purchase Orders (CPOs) were a good option to deal with empty homes but were costly and take time for a final decision to be made.
- The Council had made some good successes to bring empty homes back into use resulting in properties being rented out on a long term basis e.g. Wordsworth Road - these properties had been empty for many years and had been used as squats, three of these properties were acquired by developers and 1 house was

purchased by LBC in partnership with a housing association and let through shared ownership.

- Disputes figures released on the number of empty properties in Luton. The Council makes a conscious effort to tackle empty properties that remain empty for long period of time but this can be difficult when owners have mental capacity issues.

The following questions were raised by the Task and Finish Group to the Portfolio Holder:

Does the Council take a different approach to owners with mental health conditions?

Answer: Medical advice on this has been sought and officers are aware of not applying too much pressure. Every case is dealt with individually and with a level of sensitivity, which was applied for instance in the purchasing of a property in Lewsey Farm.

Is Luton's empty home problem similar to other areas?

Answer: The situation in Luton was not as bad as other areas. The Council will explain to home owners that they could benefit from a guaranteed income through renting their property on a private sector leasing basis.

Are private home owners aware of incentives offered by the Council?

Answer: Various publicity campaigns had been made by the Council to raise the profile and awareness of empty properties e.g. leaflets were printed with officer contact details and placed in public areas across the town. However, some owners are reluctant to work with the Council due to perceptions of "council house tenants". In reality the PSL scheme guarantees not only the rent but also the condition of the property returned to the owner at the end of the leasing period,.

Were there any other obstacles that prevent/inspire the public from getting involved?

Answer: The council now has a full time Empty Homes Officer to target long term properties and to pursue enforcement action where necessary; however, there is a lack of financial investment to proactively pursue enforcement action. There are some families who have inherited properties that insist on holding onto them once probate is secured waiting for the property market to improve . Such properties could be rented out over a 5 year period and the owner would be guaranteed a rental return for the property.

The Empty Homes Officer further advised that council tax exemptions allow families to leave properties empty for up to six months following probate. Thereafter the standard council tax charge applies to the property.

Keith Edwards, Head of Development and New Business at Aldwyck Housing Group

Informed the Task and Finish Group on the bid for Empty Homes Funding, through the HCA (Homes Communities Agency). The outcome was known in March 2012 and the total grant received by Aldwyck is £180,000 which will go towards purchasing 12 long term empty properties (6 in Luton and 6 in Bedford) over a 3 year period. The partnership arrangement will be between Aldwyck Housing Group, Luton Borough Council and Bedford Borough Council. The grant received from HCA was not sufficient to purchase the properties alone and therefore needed additional funding provided by the Association through private finance. The total cost of the scheme is £1.6 million.

Alan Thompson advised that regular contact was made with empty home owners but the Council has not been able to buy properties from owners who were willing to sell due to lack of budget. To date the Council had been successful in bringing back into use 46 properties over eighteen months.

Councillor Gale commented on Reading Borough Council being proactive in using CPOs whereas there was reluctance at Luton.

The Portfolio Holder replied CPOs had been used in Luton but was frustrated about the cost and the time it took. The Council had looked at external legal services to speed up applications.

Were resources within private sector housing spread too thinly?

The Empty Homes Officer advised that the main concentration was on high profile cases, ones which had acquired the most points based on a variety of factors including length of time empty, condition of property and how they are effecting the area. There were around 130 properties and most of these would be brought back into use through persuasion and consistent contact with the home owners. Once that had been exhausted legal could be instructed in relation to enforcement action.

Alan Thompson further advised that resources were similar to that found at other local authorities with a full time empty homes officer. Larger authorities like Manchester had much larger resources and budget to support this area of work.

What level of support was needed at the Council?

Answer: The powers that are available within the Council in departments such as Planning are not able to support the work of the Empty Homes Officer due to resourcing issues. Ideally private sector housing would welcome the support of the planning enforcement role to assist with properties and advise on appropriate legislation such as the Town & Country Planning Act s.215 which would force home owners to comply.

In the past a half day seminar was held with officers from relevant departments and Members to raise awareness of the empty homes situation in Luton and the importance of bringing empty properties back into use and the types of legislation available to the Council. Budget constraints and reduced resources within departments often means the empty homes officer often having to work alone. A solution to this might be for delegated powers to be assigned to the Empty Homes Officer role to speed up the process.

Does the section receive sufficient political support from the Council to tackle empty homes?

Answer: The section currently supports the national campaign on empty homes and the department has previously had a stall in the Mall for a week to raise awareness and to promote what the council is doing in relation to empty homes.

The Empty Homes Officer is also part of the Herts Beds and Bucks forum which is used to share best practice and ideas; there is also a empty homes hotline for the public to report empty homes and this is also available on the Council website.

A Member commented on the public perception of empty homes being a major issue and whether there was a way of publicising the true extent of the problem across to the public.

Answer: The public are generally not interested in empty homes unless the property directly effects them. Luton has no particular areas that have high levels of empty homes, the issue effects all areas of the Borough and it is a subject which is raised regularly at public meetings. There has been publicity in Lutonline which is a source of communication by the Council.

Richard Morgan, Development and Investment Advisor – informed the Task and Finish Group that:

- £2.5 million had been set aside from Prudential Borrowing to be used to purchase properties mainly office buildings converted into flats.
- The Council is currently purchasing an office building which is being converted into 9 x 2 bedroom flats in Milton Keynes. Once the

conversion work is complete the building will be used to house some of Luton's homeless families which will enable the Council to reduce the cost of bed and breakfast accommodation..

- Empty office buildings had been looked at in Luton but currently nothing had been found to be suitable.
- He advised that once the word gets out that the Council is interested in acquiring properties there may be more opportunities.

David Kempson, Head of Finance – informed the Task and Finish Group that:

- The money was in the capital programme with no costs to the council.
- Investments made would need to cover the cost of borrowing which can be quite demanding and the unpredictability of the housing market had been taken into account.

The Portfolio Holder for Housing commented on the Milton Keynes purchase which were soon to be released and located near local amenities.

A member enquired about competitors and Richard Morgan replied that competition would come from private owners.

A Member enquired about the office block in Cardiff Road and the Portfolio holder replied that it had been looked at and found to be unsuitable.

The Member further enquired whether a similar scheme was in place at other authorities.

The Portfolio Holder replied that he was unsure. The Council like others had been approached by the London Borough of Newham to house some of their homeless applicants. but our priority was to house Luton's applicants.

Resolved: That the Strategic Development Manager be requested to investigate the possibility of including delegated Planning powers into the role of the Empty Homes Officer.

Meeting ended 7.15 pm