

Scottish Empty Homes Partnership

BASELINE REPORT – AUGUST 2010

Introduction

The following report seeks to provide a snapshot of current local authority activity and views on private sector empty homes work. This report will be used as a baseline from which to measure change over the length of the Scottish Empty Homes Partnership – a project funded by the Scottish Government and hosted by Shelter Scotland which is expected to last for 2 years, beginning in June 2010.

The report will cover the following topics:

- Council Strategies – including Local Housing Strategies
- Data Collection
- Use of Tools and Approaches
- Funding
- Partnership Working
- Possible Legislative Changes

The report ends with a run through of how the project will be measured going forward. It is worth noting that in this context the term ‘baseline’ is being used to mean our description of current practice based on currently available information and should not be seen as a complete set of data from all councils.

Methodology

This baseline report will draw heavily on survey data collected for the March 2009 Private Rented Sector Review, specifically Vol. 4 *Bringing Private Sector Empty Homes Back into Use*. Within the report this data will be referred to alternately as the ‘2009 Survey data’ or the ‘PRS Review data’.

In addition to this survey data further information will be drawn from initial discussions with councils with the Empty Homes Coordinator as well as from online searches of council documents.

Neither the surveys, nor the discussions have covered all councils in Scotland. Responses are also officer comments, not official council views or data. Therefore the following summary should be referenced with these caveats in mind.

Background

There are approximately 50,000 private sector empty homes in Scotland. Work on empty homes can achieve positive outcomes with regards to:

- Housing Supply
- Community Regeneration/Town Centre Renewal
- Sustaining Rural Communities
- Restoring Confidence in local property markets
- Discouraging Anti-Social Behaviour (due to fire/vandalism/fly-tipping of empty properties)
- Climate Change and Sustainability

Work on empty homes also represents value for money. The Empty Homes Agency in England has estimated that the cost of refurbishing an empty home is between £6,000 - £25,000. The average cost of a new build home in Scotland is £100,000. And of course when you are bringing an empty home back into use the infrastructure and local services will already be in place.

Empty Homes cannot solve housing supply issues alone, but they can be part of a holistic solution to provide local affordable housing and to regenerate communities.

The Scottish Government 2009 review of the Private Rented Sector identified the need for a national post to support councils who wish to pursue empty homes work. The Scottish Empty Homes Partnership exists to help councils and their partners pursue work to bring private sector empty homes back into use. The project is funded by the Scottish Government and housed by Shelter Scotland.

Local Housing Strategies

Local Housing Strategies (LHS) form the basis of a council's approach to housing issues, including housing supply, homelessness support and their scheme of assistance. While councils will take their own decisions as to what role empty homes work might play in meeting their goals it would seem sensible that where empty homes work is pursued that the basis for this work should be found in the Local Housing Strategy. Indeed there is a strong case to be made for the role that filling empty homes can play in meeting the outcomes that councils have highlighted in these strategies such as:

'increasing the supply of affordable housing'

'to develop mechanisms to improve choice and access to affordable housing across all tenures'

'to stimulate demand in areas that are less popular or have investment needs'

'Promoting a mix of housing tenures and types to meet the needs of all communities'

The 2009 survey data indicates that 12 councils had some mention of the issue of empty properties within their Local Housing Strategy. In some cases however this was in reference to council voids rather than private sector empty homes.

27 councils answered the original question asking whether empty homes work was included in their LHS. Our own survey of all 32 Local Housing Strategies finds that 16 councils had some mention of the issue of private sector empty homes specifically, with far more (all but one) mentioning social sector voids. Within the 16 that covered private sector empties, 4 specifically mentioned a link between work on empty private sector homes and the provision of affordable housing, while a further 3 highlighted a link to ensuring a mix of housing supply options in their communities. Where funding for this work was mentioned the most often mentioned source was the Private Sector Housing Grant, with 5 councils pointing to this as the source of funding for this work. 3 councils

had specific targets around bringing private sector homes back into use and a further 2 committed to monitoring the number of private sector empty homes. It is not clear however whether statements in local housing strategies have resulted in a strategic approach to private sector empty homes work.

As many Local Housing Strategies are in the process of or soon to be reviewed it would seem there may be an opportunity to improve on these figures in the next round. Of course we need to guard against looking purely at the number of Local Housing Strategies that mention this type of work and to analyse how these mentions are reflected in practice and in outcomes.

Other Strategies

There may be other places either in addition to or underpinning Local Housing Strategies where councils have articulated a commitment to empty homes work. The most likely places where this could be found are within a council's Private Sector Housing Strategy or in a stand-alone Empty Homes Strategy.

The PRS Review survey data reveals that 5 councils reported addressing empty homes work briefly in their Private Sector Housing Strategy. In addition to this 3 councils were developing an Empty Homes Strategy.

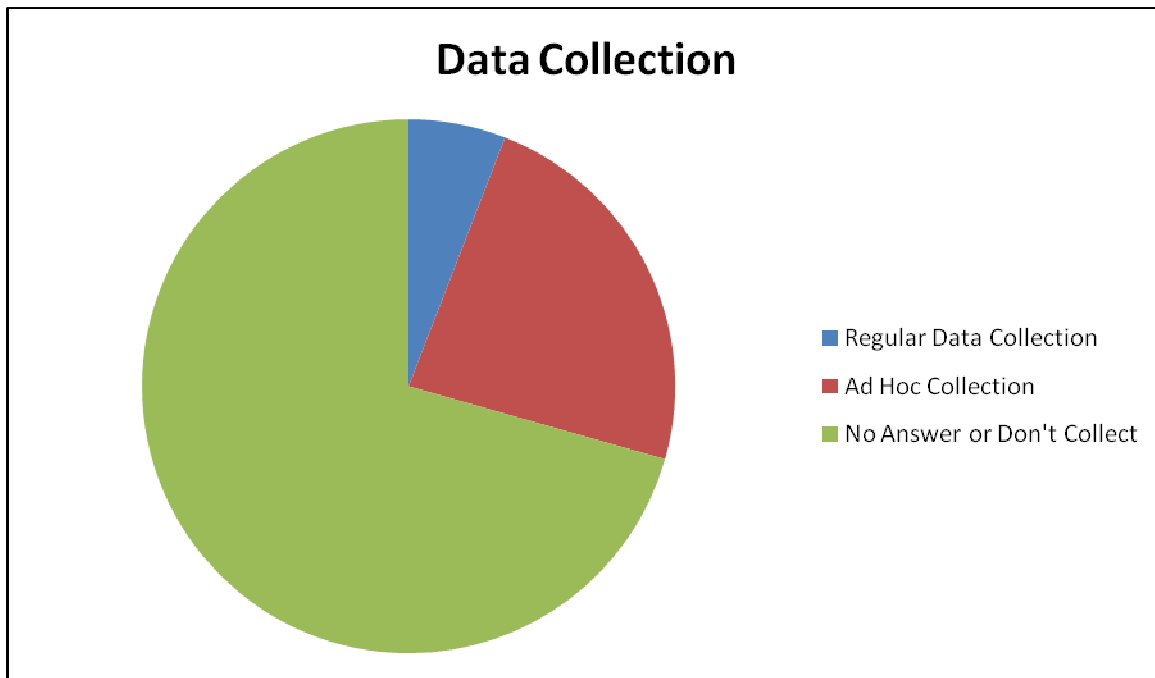
Most of those who indicated they had referred to empty homes in their Private Sector Housing Strategy or that they were developing a stand-alone strategy had also indicated they had referred to this work in their LHS, therefore the number of councils with any mention at all of empty homes in a council strategy cannot be assumed to be higher than the 12 councils who reported a mention in their LHS.

Of course simply mentioning empty homes within a strategy does not equate to either strategic approaches or good practice. Future reports will seek to look in more detail at the nature of council strategies and policies on empty homes work and how integrated these are with the overall goals of the council.

Data Collection

One of the first steps to developing a process for addressing private sector empty homes is developing a picture of how many empty properties are in a given council and where they are located. It is with this data that a council can take a decision as to what level and what type of work they will undertake to bring these properties back into use.

The 2009 survey data shows that 10 councils reported collecting figures on numbers/locations of empty private sector properties either at structured intervals (2 councils) or on an ad hoc basis (8 councils).



It is not clear from the data whether these 10 councils collect data on number *and* location or if the question has been read as number *or* location. This is an important distinction as if the council merely collects data on a global number of empty properties this does not give the same level of information as data which indicates where these properties are located. If these 10 councils only collect the global number this will represent far more work for them to reach a point where they are able to engage in any form of targeted empty homes work.

Anecdotally from initial discussions with councils by the Empty Homes Coordinator only two councils (though not all have been contacted) have had access to information about both the number and location of empties in their council area. The remainder of councils contacted reported either having a global number or being made aware of empty properties on an ad hoc basis as complaints are raised about particular properties. Others still relied on their all tenure house conditions survey to give an estimate of a global number of empties.

In terms of the type of data councils find useful, the 2009 survey data showed that 10 councils relied on council tax records and 3 councils had undertaken local surveys. Again those 3 councils will be among the 10 original councils who also looked at council tax records.

In addition to these sources of data 5 councils felt the 2001 Census data had been useful to them. As this is a now dated resource it is not proposed to include this option in any future follow up surveys. Should the 2011 Census data be available before the end of the project this option may again become relevant.

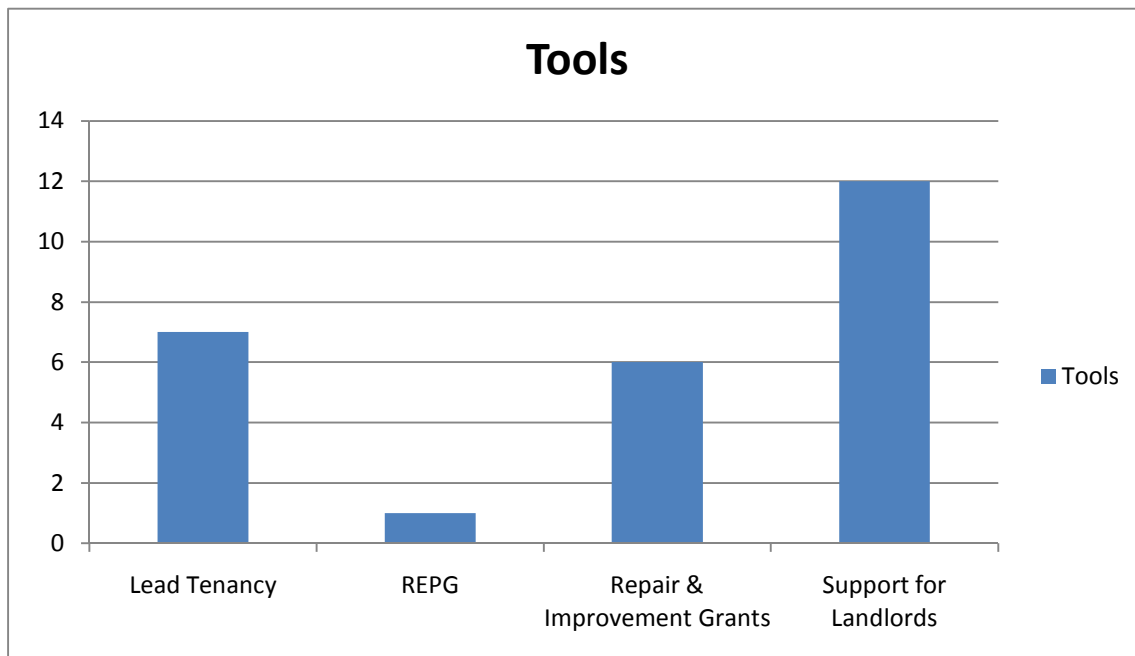
Based on the data available it would seem as though Scottish Councils have a way to go in developing accurate and useful data on the number and location of empty homes in their areas. In future reports more specific questions around data collection will be asked of councils to assure an accurate picture.

Tools and Approaches

There are a number of tools and approaches that can be used in addressing empty private sector homes. It is hoped that by sharing with each other and by making connections with work happening in England and Wales that Scottish Councils can have access to a wider menu of approaches and tools that can be drawn from to fit local circumstances.

The 2009 survey data asked councils about their experience with an interest in using four types of initiatives: Lead tenancies; Rural Empty Properties Grants; Repair/Improvement Grants targeted to empty properties; Support for private landlords (eg. Private Sector Leasing, rent deposit guarantee schemes).

7 councils reported that they had used Lead Tenancies and a further 2 were interested in this type of approach. 1 council had used Rural Empty Property Grants and 5 councils were interested in them. 6 councils had used Repair and Improvement Grants targeted at empty homes and a further 2 were interested in exploring this. Lastly 12 councils had used some form of support for private landlords and 2 councils were also interested in this sort of work.



The survey does not give information as to levels of awareness of these tools, or what explanation was given with the question, it may be that before answering 'would like to try' that councils had to ask for clarification about what the different initiatives involved.

Anecdotally from recent conversations with councils by the Empty Homes Coordinator there seems to be a low level of awareness of different types of tools including Lead Tenancy schemes, however as noted above not all councils have been contacted.

It would be useful to gauge levels of awareness of council officers of the various options at their disposal.

It would also be useful to repeat the question above to councils at a future date with a slightly expanded list of options, including for instance the use of early intervention and

prevention work, including the provision of information for empty home owners within councils' schemes of assistance.

Funding

Since the end of the Empty Homes Initiative (EHI) in 2002 there has been no dedicated national funding for private sector empty homes work.

The 2009 Survey asked what resources councils currently devote to empty private sector houses. There were few responses to this question which focused more on staff resources than specific funding sources. What can be extrapolated from the question is that, unlike during the EHI years, no council has a full time member of staff working on Empty Homes, and no council has a budget set aside for dealing with empty homes.

What the survey did not ask which would be useful to know is what sources of funding *could* be used to address private sector empty homes.

From discussions between the Empty Homes Coordinator and several councils it is clear that the issue of funding and resources is a key concern for council officers considering work in this area. Many councils are facing or have recently been through a round of redundancy, often losing experienced members of staff and leaving existing staff with pressured workloads.

Several councils have also pointed to the cost of bringing dilapidated empty homes back into use as well as the need to be mindful of cost recovery should the council embark on work with empty homes.

One council spoken to indicated that any work on empty homes would be funded through the council's Strategic Housing Fund which the council uses to fund provision of affordable housing. Another council currently give grants for empty home owners in exchange for provision of rental units below local housing benefit levels.

The Scottish Government's Fresh Thinking Housing Discussion Paper indicated that the criteria for the Rural Homes for Rent program would be extended to allow funding for bringing existing empty homes back into use as well as for new build. However at the moment it is unclear when the next round of funding for this program will be available or what level it will be funded to. There may be scope to widen the criteria of other funding streams to include consideration of empty homes.

A discussion with Scottish Government staff has also revealed an openness to re-visiting schemes such as the Lead Tenancy Scheme if a case can be made for it. This could also include revision of the guidance which has been out of date for some time. However any money reallocated for a scheme such as this would be taken from the wider affordable housing investment programme and wouldn't represent an overall increase in funding.

There may also be scope for exploring a range of other funding sources, for example the potential for work on empty property to be part of packages of regeneration/renewal funded under the JESSICA programme; the potential for grants from organisations with specific interests, such as those earmarked for historic buildings.

Future reports on the Scottish Empty Homes Partnership Project should seek to address what funding sources have been identified that could be accessed by councils and their partners for the purposes of private sector empty homes work.

Partnership Working

The PRS Review survey did not ask any questions about partnership working although this may be inferred by some of the initiatives that councils reported that they had been involved in.

Another way that it is envisaged that the Empty Homes Coordinator can add value for councils is by facilitating relationships and making connections between people, organisations and their shared goals.

For future reports on the work of the Scottish Empty Homes Partnership it would be useful to ask councils to what extent they have collaborated with partners, such as housing associations, developers, community planning partners, property owners and other councils.

Recommendations for Future Actions

While the 2009 survey did not ask councils specifically for suggestions about legislative changes that could help them undertake successful work on empty homes, it did ask for council's views on the applicability of a number of initiatives, some of which are in operation in England and Wales.

Of those councils who answered this question the following number of councils said they were already using, interested in or wanted to try the following mechanisms:

Empty Dwelling Management Orders (available in England/Wales)	8
Council Tax penalties for empties	11
A support mechanism for RSL/LA officers dealing with empty homes	10
Public Requests to Order Disposal (a power available in England)	5
Provision of lists of empty properties to those who want to rent/develop	11
A website listing void properties	10

From that list, one suggestion, that of a support mechanism for councils, has been implemented in the creation of the Scottish Empty Homes Partnership and the post of Empty Homes Coordinator.

Of the remaining options on the list there does not appear to be great appetite for extending EDMOs to cover Scotland given the reported issues with burdensome administration in England/Wales. Some of the other initiatives could be taken forward by councils on their own (lists and websites) without any legislative changes.

From the conversations with councils held with the Empty Homes Coordinator several other suggestions for legislative changes have arisen, these include:

- an appetite for a power of enforced sale (which is available south of the border) where an owner can not be identified/will not cooperate;
- a desire to see the process for uncontested Compulsory Purchase Orders (CPOs) streamlined;
- councils and RSLs to have the 'right to buy back' in cases where right to buy properties have been abandoned by owners.
- councils in Scotland to have the same express permission as councils in England to share council tax data internally for identifying and bringing empty homes back into use.

It may be worth revisiting some of these suggestions in future surveys and/or at an Empty Homes Officer Network event where further conversation, ideas and views could be sought.

Measuring the Project

In measuring the impact the Scottish Empty Homes Partnership has had on empty homes work undertaken by Scottish Councils it is suggested that evidence of the following be drawn out for inclusion in future reports. It is anticipated that much of this information would be collected through an annual survey to councils:

- Have councils identified empty homes work as a priority?
This could be drawn out by looking for example at:
 - the # of councils where empty homes work has been integrated into Local Housing Strategy, Private Sector Housing Strategy or stand alone Empty Homes Strategy;
 - reports to committees or senior officer groups;
 - creation of officer or elected member working groups;
 - existence of action plans to accompany any of the above.

- Do councils have a means of identifying the scale and location of empty homes in their area?
This could be drawn out by looking at:
 - the # of councils with a data collection process in place;
 - the extent to which the reportemptyhomes.com site is used by both members of the public and LAs.

- Is the Scottish Empty Homes Partnership building the capacity of council officers to pursue empty homes work?
This could be measured for example through:
 - the # of active members of the Empty Homes Network and their assessment of the added value they have received from the network;
 - the # of cases where councils and their partners report suggestions from the partnership/network have resulted in successfully bringing empty homes into use;
 - Awareness levels/use of different types of tools/approaches; this could include levels of awareness around use of specific data opportunities, such as the 2011 census and of approaches to different types of empty properties, such as historical building, etc.

- Has available funding for empty homes work been increased?
This could include:
 - identification of existing funding streams;
 - The extent to which budgets have been allocated to empty homes work.

- Has the partnership engaged organisations from a variety of backgrounds?
This could be measured through:
 - collection of examples of partnership working;
 - examples of where new relationships have emerged, i.e. with developers, property owners.

- Has the partnership's work successfully identified and reduced barriers to the pursuit of empty homes work in Scotland?
This could be measured through looking at:

- the outcome of any attempts to recommend legislative/national policy changes

Conclusion

This paper seeks to give a brief snapshot of the current understanding of private sector empty homes work in Scotland. It is proposed that this report be revisited in June 2011 to reassess the progress of the Scottish Empty Homes Partnership against the measures described.

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