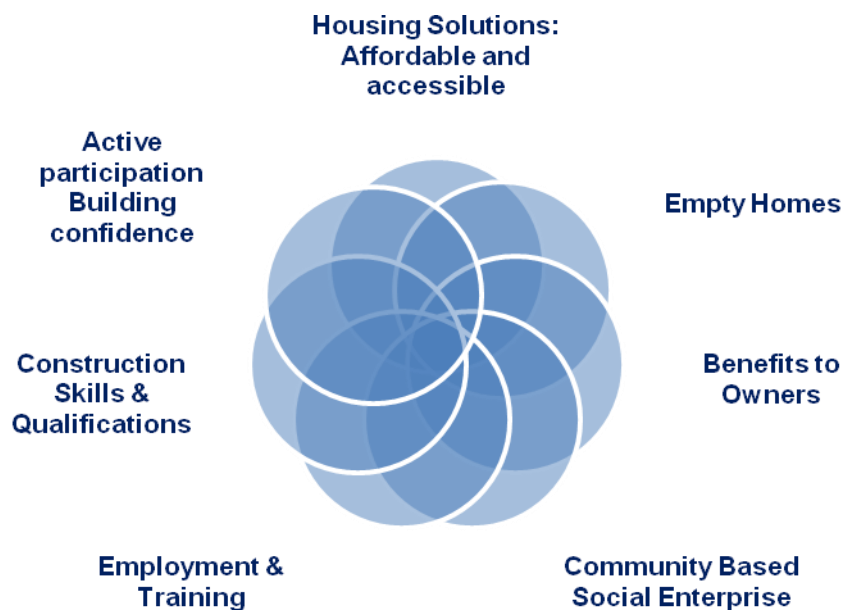


2015 Treasury Spending Review

Submission In Support Of A Further Three Year £50m Empty Homes Community Grants Programme



The 2011-15 Empty Homes Community Grants Programme (EHCGP)

The coalition government put in place a £160m empty home capital grants programme. £70m of the programme was allocated via the Housing & Communities Agency to registered providers,

The remaining £50m was allocated over two rounds of funding to c100 unregistered community led organisations. Funding was only available to organisations in England.

There is a currently well documented scarcity of housing and although the number of empty properties has come down over the last six years to a point where the figure stands at c610,000 (DCLG), this still represents a huge wasted resource. Furthermore, of these, **c232,000 properties (Empty Homes Agency 2014) have been empty in excess of 6 months**. This represents a pool of unused housing, much of which, which we now know from the experience of the Empty Homes Community Grants Programme, can be economically be brought back into use, creating not only housing but also employment and training opportunities, while improving neighbourhoods by reducing crime and anti-social behaviour.

1. Likely effectiveness and feasibility

The 2011-15 Empty Homes Community Grants Programme has now been completed and the feasibility and effectiveness of such a programme has been demonstrated. DCLG has not released any figures as yet but, on the basis of projections towards the end of the programme, it is anticipated that c 1,500 homes will have been created

A survey conducted by Self-Help Housing.Org towards the end of 2014, **identified demand for a further £52.276m among existing recipients of funding.** EHCGP recipients were asked how much money they would be able to commit over a further three years and, based on returns from 73 EHCGP recipients, the figure came to £52.276m.

However, there now exists a cohort of around 100 local community driven organisations that have built up a range of experience and knowledge, and in many cases most importantly an asset base, that are now well equipped to undertake further work. It makes sense to capitalise on this investment. .

2. Public spending implications and value for money

The capital programme that has just finished amounted to c£50m and demand for a further £50m has been identified (see above), however even a reduced capital programme would be widely welcomed.

One way of resourcing such a programme would be to top slice an amount from the HCA's Affordable Housing Programme, thereby obviating the need for additional expenditure.

In terms of **value for money**, returns from 65 organisations in receipt of EHCGP to a Survey conducted in May 2015 by Self-Help Housing.Org, revealed that collectively, **they have levered in an additional £26,411m in capital expenditure relating to acquisition and cost of works.** £11.5m in the form of loans from banks and local authorities; £5.8m by means of grants from trusts/foundations and local authorities; £2.4m via contributions from owners in respect of schemes involving leasing properties and £6.7m invested from their own reserves.

3. Wider macroeconomic implications (for economic stability and growth)

One of the reasons that Ministers were persuaded to approve a Community Grants Programme was in expectation of the social outcomes that were likely to arise. An evaluation of the Programme's impact is currently being undertaken by Professor David Mullins from Birmingham University. Meanwhile, of organisations responding to the Survey conducted in October 2014 89% reported involving trainees/apprentices in renovating properties, 72% reported involving volunteers and 74% reported involving prospective residents.

In terms of the impact on the community of renovating property, 95% claimed to have contributed towards regenerating their local environment, while 92% believed they had helped reduce crime and anti-social behaviour. Such claims are entirely credible, since it is well documented that empty property damages communities, encouraged crime and erodes the value of other housing. .

4. Legislative and operational requirements

There are no legislative requirements, but operationally a body needs to be identified capable of administering another Programme which will be available to non-registered providers and therefore outside of the HCA's remit.

Tribal administered the last programme, but they have since withdrawn from grants administration. However, there are other organisations, such as Groundwork UK, which are capable and experienced in managing national programmes on behalf of government. Groundwork UK have actually expressed an in principle interest in being involved.

5. Sectoral and distributional impacts

Many of these organisations have developed very productive working relations with local authorities and other housing providers which can be continued and developed further. They have also gained experience of working with banks and charitable funders to raise money and put together funding packages. A further round of EHCGP funding will make it possible to build on these relationships and add further value. .

Overall, a Community Grants Programme which leads to a variety of social outcomes and more sustainable community organisations, accords well with the government's Localism agenda and responsibility for a further programme within DCLG could therefore come from the same division (Private Sector Property) or another division (eg Integration & Community Rights).

6. Administrative and compliance costs and issues

The principle administrative cost of mounting another programme would be once again in outsourcing the administration. Information relating to the cost of this is not currently available, but is held by DCLG's Private Sector Property Division.

The impact of EHCGP in Leeds though the combined work of three organisations: Canopy, Latch & Gipsil

<https://vimeo.com/119497211>

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