

**Bolsover District Council****Executive****11<sup>th</sup> August 2014****Joint Empty Properties Officer****Report No: of Councillor Alan Tomlinson, Portfolio Holder for Regeneration****Purpose of the Report**

- To seek approval for the appointment of a Joint Empty Properties Officer for Bolsover and North East Derbyshire District Councils.
- To seek approval from members regarding the line management, location and overall cost of the post of Joint Empty Properties Officer.

**1 Report Details**

1.1 This report requests the approval of members to recruit a Joint Empty Properties Officer for the two Authorities whose primary function will be to :

- Identify, develop and implement measures to bring empty properties back into use to help meet the housing needs of the District's residents
- Support the development and delivery of an Empty Homes Strategy for the Councils which will contribute to the Growth Strategies in increasing the number of housing units.
- To monitor the Council's empty properties data and ensure that New Homes Bonus is maximised for both Councils.

1.2 The business case for the creation of this post is based on a number of factors.

1.3 Locally there are between 1000 and 1500 empty homes across Bolsover and North East Derbyshire at any given point in time. Both Councils use the council tax register to actively monitor empty property numbers. The table below shows the number of empty homes on the 1<sup>st</sup> October 2013 over the past 3 years.

	<b>(1<sup>st</sup> October)</b>	<b>NEDDC</b>	<b>BDC</b>
1.3	2010	460	939
	2011	493	919
	2012	426	915
	2013	516	647
	<b>Average</b>	<b>459</b>	<b>924</b>

Over the past few years bringing empty properties back into use as housing has gained increasing priority nationally with the HCA funding a number of empty property initiatives together with the introduction of the New Homes Bonus (NHB) scheme. Section 5 below highlights the importance of bringing empty properties back into use in realising the full potential of NHB to a Local authority.

- 1.4 The Council Tax Base return from October 2013 identified 1163 long term empty homes across the two districts. Apart from contributing to a shortage of housing, empty homes have a wider impact on the communities that they are in. They increase the risk of and fear of crime, vandalism, squatting, vermin infestation and structural damage to an adjoining property, and this can quickly lead to changing perceptions of an area.
- 1.5 Dealing with empty homes and coordinating work to bring them back into use has traditionally been the role of the Environmental Health Services, with Strategic Housing undertaking the enabling role. Resources, however, within Environmental Health have now been reduced along with the availability of enforcement grants which has led to the reduction in capacity to provide property owners support. This in turn is resulting in complaints from members of the public resulting in the use of enforcement powers to deal with the issues associated with empty homes, such as untidy gardens, rather than bringing them back into use.
- 1.6 The Environmental Health Team have been involved in other initiatives relating to empty properties including liaison with empty property owners using the council tax empty property list. (Environmental Health report the number of properties brought back into use and this is also a corporate plan target at BDC). BDC also had the benefit of empty property funding from the HCA Capacity Building Programme in 2010/11. The project undertaken in partnership with Meden Valley Making Places featured in the HCA report and is considered as a good practice example.

Projects such as the Meden Valley Making Places project have proved to be very effective in bringing properties back into use and offer good value of time and effort for the number of properties achieved. However, the development of such projects, completion of bids as well as their delivery, does require a significant amount of officer time and in the current situation, resources to undertake such work are limited.

The routine complaint and enforcement work and an element of engagement with empty property owners via the council tax list will continue within Environmental Health, but additional resources are required to further engage with property owners and develop and deliver further empty property initiatives to increase the number of properties brought back into use.

- 1.7 More recently, the Housing Strategy and Enabling teams have worked in partnership with Groundwork Creswell and Action Housing to deliver two projects under the HCA's Empty Homes Funding. One project provides grant funding to owners of empty homes, in return for a 5 year lease to enable the property to be let through the Councils' waiting list at an affordable rent. This project has funding to enable nine properties in each district to be brought back into use, however the

response received from members of the public has highlighted a far higher need and demand for support. The second project has funding to bring empty commercial units back into use for residential use. This will equate to a further 16 units of housing across Bolsover and North East Derbyshire.

- 1.8 The above projects require considerable officer input to secure a suitable partner, develop the project, support the development of the funding bid, and deliver. There have been a high number of enquiries from empty property owners since the scheme has been publicised and enquiries are still being made. With reduced capacity in Environmental Health and limited resources within Housing Strategy it is recommended that the Council consider approving the recruitment of a two year temporary joint Empty Homes Officer. This should then be reviewed against the success of the post in bringing empty properties back into use. It is considered that a contract for less than two years will prevent the appointed officer from dealing with the more difficult cases, which can take time due to the legal processes that must be followed.
- 1.9 It is proposed that the post could sit within North East Derbyshire's Housing Strategy and Enabling Teams' structure, recognising the strategic housing enabling role that the post will support. Colleagues within Environmental Health Services and Bolsover's Housing Services have been consulted about the post, the contents of this paper and the job description attached at appendix 1 and they are supportive of the approach. It is imperative that there is a close working relationship between Housing and Environmental Health in delivering any empty property initiatives.
- 1.10 It is now commonplace for local authorities to employ empty property officers to deliver initiatives aimed at bringing empty homes back into use. Within the North Derbyshire and Bassetlaw Housing Market Area, both Chesterfield and Bassetlaw Councils already employ an empty homes officer, with Chesterfield now looking to make their post permanent. Further afield, Erewash is the only other local authority in Derbyshire not to employ an empty homes officer.
- 1.11 A dedicated Empty Properties Officer will be able to proactively work with property owners, identify new sources of funding and initiatives and compliment current work around the private rented sector as a source of affordable housing, including current scoping with Bolsover District's Housing Services, and Rykneld Homes, around the development of a Private Sector Leasing Scheme.
- 1.12 It is also envisaged that the Joint Empty Properties Officer will support the Housing Strategy Teams at both Authorities to develop an Empty Properties Strategy for the two districts.

## **2 Conclusions and Reasons for Recommendation**

- 2.1 To appoint a Joint Empty Properties Officer for Bolsover District Council and North East Derbyshire District Council to enable the councils to drive forward a robust Empty Properties Strategy resulting in additional housing units, additional NHB and

greater community sustainability to contribute the delivery of each Council's Growth Strategy.

### **3 Consultation and Equality Impact**

- 3.1 Consultation regarding this proposal and the attached draft job description has taken place with colleagues within the Joint Environmental Health Service.
- 3.2 Members have been consulted at both councils through BDC's Cabinet process and NEDDC's Leadership Team.
- 3.3 Neighbouring Authorities in both The HMA and across the Sheffield City Region have been contacted to identify the best model for a new post and delivery of an empty properties programme.

### **4 Alternative Options and Reasons for Rejection**

- 4.1 Initial discussions considered whether the post should sit within Environmental Health or Strategic Housing. .
- 4.2 It was agreed by representatives from both teams that it would be most effective within Strategic Housing due to its priority to increase the number of housing units both within their service plans and as part of the Growth Strategy.
- 4.3 Strategic Housing are also engaged with the HCA both at a district and a Sheffield City Region level. The HCA have funded a number of Empty Properties Initiatives and facilitate a SCR Empty Properties Forum.
- 4.4 Strategic Housing are currently exploring Private Rented Access schemes to take advantage of opportunities from property owners wanting assistance in renting out their properties. Some empty properties could form part of this scheme.
- 4.5 It was agreed, however, that the two services would work in partnership to bring empty properties back into use and in developing robust Empty Property Strategies for the two councils.

### **5 Implications**

#### **5.1 Finance and Risk Implications**

The number of empty homes is an important element of the NHB calculation. The level of grant is determined according to the net number of new homes delivered. Under the scheme the net number of new homes is calculated by comparing the 'effective stock' from the current year, with that of the previous year. Effective stock is established by deducting the number of long term empty homes and the number of demolitions from the total number of dwellings on the Valuation List (data is taken from the CTB1 return). An example of the calculation is provided in the box below.

<b>North East Derbyshire District Council NHB Data</b>
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<b>2012</b>
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Total number of dwellings on the Valuation List (CTB1 2012) – 44336

Number of demolitions - 2

Number of long term empty homes (CTB1 2012) – 493

Effective stock – 43841

### **2013**

Total number of dwellings on the Valuation List (CTB1 2013) – 44446

Number of demolitions - 4

Number of long term empty homes (CTB1 2013) – 516

Effective stock – 43926

**Effective stock 2013 – Effective stock 2012 = 85 net new homes**

Where the number of empty properties has increased from the previous year, as it does in the example above, it has a negative impact on the NHB, causing a deduction in the overall level of grant allocated. The increased number of empty homes is effectively deducted from any new build supply that has been delivered. Even with a relatively small increase in the number of empty homes, the effect on the income for the Council can be considerable; the above example saw a 23 unit increase in the number of empty homes, resulting in a loss of income for the district council in the region of £268,000 over six years.

Although NEDDC saw an increase in the number of empty homes in the last year, BDC has seen a considerable decline in numbers, with the number falling by 268 homes, a 29% decrease. It is uncertain why this has happened, however this fall does accord with trends over time, with data for BDC showing considerable fluctuations in the number of empty homes. It is therefore essential that the Council mitigate against a rise in the number of empties in the following year, given the low baseline figure for the year 5 calculation. Should we see numbers rise back up to levels consistent with the 4 year average of 855, the number of empty homes would have increased by 208. Based on current year figures, this would have resulted in a negative new homes bonus allocation, which would have financial implications for the Council.

Based on posts at other Derbyshire local authorities it is anticipated that the salary for this post will be in the region of £25,000 per year. For the purposes of budgeting it is recommended that it is assumed that the total cost of the post will be in the region of £35,000 to include salary and on costs, however this will need to be confirmed following job evaluation. Working on the basis of £35,000 costs per year and an average NHB grant rate of £1200 per unit, the post holder would need to bring back into use between 6 and 10 homes to cover the expected costs to the organisations. After this, any homes brought back into use through the direct action of the post holder, has the potential to generate a net financial gain for the authorities.

<b>Estimated Per Unit Grant Rate</b>	<b>Lower Tier Allocation (80%)</b>	<b>Per unit allocation over 6 year period</b>	<b>Number of homes needed to be brought back into use for break even</b>
£1200	£960	£5760	6 units

It should be noted, however, that there are certain financial risks with this assumption. Regardless of the number of units brought back into use through the direct action of the appointed officer, we have in the past seen considerable fluctuations in the number of empty properties, especially within Bolsover District. As such there is a risk that the number of homes brought back into use could be outweighed by homes becoming empty through market and other forces. If this fluctuation is substantial, this could lead to a minimal NHB receipt for the Council, irrespective of the number of units brought back into use by the appointed officer. However, it is expected that through direct and targeted action by the officer, the risk of this would be greatly reduced, and it would be unlikely that both authorities would be affected by this in any given year, meaning an overall benefit to the Alliance.

There is currently no budget to support the recruitment of this post. Given the likelihood that this post will not only pay for itself, but also has the potential to generate additional new homes bonus income, it is recommended that the cost of this post be paid for through the spend to save budget.

## **5.2 Legal Implications including Data Protection**

The post would be required to work within legislation relating to empty properties and any required enforcement and health and safety requirements.

## **5.3 Human Resources Implications**

The cost of funding the post will be in the region of £35,000 per year (including on costs). This is based on the cost of similar posts across the Sheffield City Region where the salary has been agreed on average at £25,000 per annum.

A draft job description has been developed and is attached as appendix 1. If the recommendations in this paper are agreed a job evaluation will commence with Human Resources to determine a suitable salary.

It is proposed that the post should sit within the Housing Strategy and Enabling structures with shared time between the two districts. It is proposed that day to day line management of the post be provided by NEDDC's Private Rented Sector and Housing Options Team Manager with overall management and work plan setting being provided jointly by the Housing Strategy and Enabling Managers within each Council.

The rationale for the Private Rented Sector and Housing Options Manager undertaking the role of line management is to enable the post to link in with the work of the Manager in developing a private Rented Access Scheme and also his lead on many cross boundary initiatives in the private rented sector. The post would therefore sit within NEDDC's establishment but with the salary and on costs being shared equally between the two councils.

## **6 Recommendations**

- 6.1 Notes that the Chief Executive will use his delegated power to approve the establishment of a Joint Empty Properties Officer within North East Derbyshire District Council's staffing structure.
- 6.2 Notes that the recruitment for the Joint Empty Properties Officer post will be undertaken firstly through internal recruitment and then externally if the required technical and specialist skills are not available internally.
- 6.3 Notes that the Joint Empty Properties Officer post will be included within North East Derbyshire District Councils staffing establishment under the line management of the Private Rented Sector and Housing Options Manager within the Housing Strategy and Enabling Team, but with a presence at both North East Derbyshire and Bolsover District Councils.
- 6.4 Notes that the work programme for the Joint Empty Properties Post will be developed jointly by both Bolsover and North East Derbyshire District Council Housing Strategy and Enabling Managers in consultation with Environmental Health and other key partners.
- 6.5 Approves the overall cost of the Joint Empty Properties Officer post will be £35,000 (with a salary of £25,000 per annum, plus on costs) subject to job evaluation, and that the costs of the post will be split equally between Bolsover and North East Derbyshire District Councils.

## **7 Decision Information**

<b>Is the decision a Key Decision?</b> (A Key Decision is one which results in income or expenditure to the Council of £50,000 or more or which has a significant impact on two or more District wards)	Yes
<b>District Wards Affected</b>	All
<b>Links to Corporate Plan priorities or Policy Framework</b>	Growth Agenda – delivery of additional housing units. Deliver £100,000 of New Homes Bonus per year

## **8 Document Information**

<b>Appendix No</b> 1	<b>Title</b> Draft Job description
<b>Background Papers</b> (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
<b>Report Authors</b>	<b>Contact Number</b>
Sarah Clow, Housing Strategy and Enabling Manager, Bolsover District Council	01246 242582

AGIN 6(a) - (CAB 0730) Joint Empty Properties Officer for NEDDC & BDC