



RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

CABINET

21st NOVEMBER 2018

DRAFT EMPTY HOMES STRATEGY

**REPORT OF THE DIRECTOR FOR REGENERATION, PLANNING AND HOUSING
IN DISCUSSIONS WITH THE RELEVANT CABINET MEMBER, CLLR R BEVAN.**

Authors: Derek James, Head of Regeneration and Prosperity
Jennifer Ellis, Housing Strategy and Investment Manager

1. PURPOSE OF THE REPORT

- 1.1 The purpose of the report is to inform members about the Council's proposed approach to tackling empty homes which is set out in the Council's draft Empty Homes Strategy for the period 2018 -2021.

2. RECOMMENDATIONS

- 2.1 It is recommended that Members scrutinise and comment on the draft Empty Homes Strategy (2018-2021) and in particular consider
1. To approve implementation of the draft Empty Homes Strategy 2018-2021.

3.0 REASONS FOR RECOMMENDATIONS

- 3.1 The need to have a distinct strategy for RCT going forward is in recognition of the relatively high numbers of empty properties in the County Borough and the Council's commitment to increasing the total number of empty properties that are brought back into use per annum.
- 3.2 In 2017, Welsh Government introduced a new empty property target of bringing 5000 empty properties back into use by 2021. The Council is required to contribute to this target and this Strategy will provide a framework for doing so.

4.0 BACKGROUND

- 4.1 Empty private sector homes represent a wasted resource, financial expense both to the owners and the Council and in many cases a missed opportunity to provide much needed affordable housing for residents. Not only are they a waste of a valuable housing resource, but they can cause blight to communities and distress to residents affected by their unsightly appearance and propensity to attract crime and anti social behaviour.
- 4.2 Council Tax records reveal that there were 3,556 private sector homes that were vacant for six months or more as at 1st April 2017. This equates to 3.8% of Rhondda Cynon Taf's private housing (owner occupied and private rented) stock. The average for Wales is 2.4% with the lowest (Torfaen) having 0.78% of their stock empty.
- 4.3 Whilst there are empty homes throughout the whole of Rhondda Cynon Taf, analysis shows the issue is most acute within several parts of the Rhondda. The percentages are generally not so high in Cynon and only one area, Penrhiwceiber has comparable levels to parts of the Rhondda Valleys. Conversely, most of Taf has a particularly low proportion of long term empty homes, with most areas typically containing less than 2% on average. This is perhaps unsurprising with demand for homes being significantly higher in Taf, although equally, empty homes within this area tend to be empty for reasons other than low demand (i.e. inheritance, sentimental reasons, and probate) and are thus more difficult to return to beneficial use. The only area that particularly bucks the trend is Treforest (5% empty), which is due to the lower demand for student accommodation in the private rented sector because of the increase in student rent provided directly by the University in recent years.
- 4.4 However, it is important to note that whilst RCT does have amongst the highest numbers of empty homes in Wales, this is primarily due to level of 'churn' in the housing market, rather than persistent long term empty homes. The annual collation of empty homes data is only a snapshot once a year and whilst at each point in the year the total number of empty homes recorded is quite high; most of the homes counted in each snapshot have only been empty for a relatively short period. For example, in the 1st April 2017 snapshot 59% of homes that were empty had been vacant for less than three years and in total **only 684 homes** (9% of the total) appeared as empty in the last four successive snapshots (i.e. in 2014, 2015, 2016 and 2017). Most significantly, 4,463 homes (60% of the total across the four years) appeared on only one of the snapshots. As such, the bulk of homes recorded over the last four years have only been empty for short periods before returning back into use through purchase or rental. Conversely, only a minority of homes (6%) were re-recorded as empty again after being brought back into use over this period.
- 4.5 The 684 empty homes that have been identified as being empty in all four snapshots are likely to be some of the most problematic empty homes in the County Borough, and ones that should be the focus of the Council's enforcement and enabling activity going forward. Appendix 2 in the Strategy shows the location of these properties. The vast majority of the 684 empty

homes are in the Rhondda Fach and Fawr. Interestingly, Treorchy has the second highest number of these properties (43), which is surprising as Treorchy has a high demand for housing.

- 4.6 There are varying reasons why homes both become empty and remain empty for significant periods of time. This includes lack of demand for certain types of housing; absentee landlords who do not invest in their stock; owner inertia where for some owners maximising income from their asset is not a high priority perhaps due to lack of knowledge, legal disputes or sentimental reasons. Homes are also often empty due to their dilapidated condition. Research indicates that many owners are unable to carry out the necessary remedial works required to bring them up to an acceptable standard because of a lack of funds. These homes will remain empty until the essential works have been completed.
- 4.7 Over the last few years, the Council has developed many tools and approaches to encourage empty homes to be brought back into use which have had a positive impact.

This includes:

- Housing enforcement activity utilising various housing and planning legislation
- Provision of Houses into Homes loans utilising Welsh Government repayable funding
- Provision of grants utilising the Council's own funding - £4.1M since 2016/17
- Affordable housing schemes that bring empty homes back into use
- Advice and assistance
- Provision of homes above retail premises in Aberdare and Pontypridd
- Removing the 50% Council Tax reduction for empty homes (From April 2018 onwards)

Appendix 1 in the main strategy document sets out a number of case studies that shows the impact of this work.

- 4.8 Over the last four years, the Council has brought back into use **651** homes through direct action, loan or grant aid. Just under 1500 homes interventions have also taken place over this period to provide advice, serve notices or secure empty homes. When considered as a percentage, in the last year that statistics are available (2017-18), the Council brought 204 (5.7%) of its empty homes back into use. In comparison with other Welsh Local Authorities RCT was 2nd in relation to the number brought back into use, and ranked 8th for percentage

5.0 THE STRATEGY

- 5.1 Whilst it is acknowledged that good progress has been made in bringing empty homes back into use in RCT over the last few years, the scale of the problem still persists and continues to present problems in many

communities. As such, a strong strategic approach is required which has objectives that are clear, deliverable and will make a difference to both the scale of empty homes that are brought back into use as well as having a more fundamental impact on the total number in order to reverse the trend in a sustainable way.

5.2 To achieve this, the strategy sets out a series of strategic objectives that translate directly into a series of projects and actions:

1. To develop partnerships and vehicles that will enable an increase in the scale of empty homes being brought back into use.

This includes:

- Actively engaging with housing associations, private sector partners, community groups and other stakeholders to identifying new funding models and programmes.
- Establishing an Empty Homes Steering Group to co-ordinate delivery of the strategy and associated activity.

2. To maximise the use of current funding and identify further funding models to increase the number of empty homes that are brought back into use.

This includes:

- Identifying new funding that can be levered into the County Borough to bring empty homes back into use.
- Effective management of the Council's Empty Property Grant and Houses into Homes (landlord) loan schemes.

3. To continue to use a range of interventions to ensure all types of empty homes are targeted and enabled to be brought back into use and monitor the outcomes related to these closely.

This includes:

- Publicising activities through the use of social media and newspaper articles, local radio.
- Sharing information with community groups and partnerships
- The development of promotional literature such as leaflets and a comprehensive empty homes owner information pack and the continued development of a dedicated empty homes web page.
- Targeting enforcement activity on the 684 longer term empty homes. This could involve replicating the Housing and Health Action Area approach (an area based approach) that has been successfully undertaken in Tylorstown over the last few years, in other wards where there are an identified higher than average number of empty homes.

4. To undertake further research in communities and evaluation of existing schemes to understand why there are a high number of empty homes.

This includes:

- Analysis at borough wide and ward level, considering all factors that affect the number of empty homes.
- Reviewing best practice and effectiveness of current interventions.

5. To identify possible solutions that could prevent homes from becoming empty and also develop interventions for different market areas and types.

This includes:

- Analysis of localised housing market to understand the drivers that result in homes becoming empty, even for short periods.
- Ensuring that the opportunity to strengthen the housing market and bring private sector empty homes back into use is maximised in the Council's five identified Strategic Opportunity Areas, the Council's Tourism Strategy; and in the context of the Cardiff City Region Deal, the Valleys Task Force, and Metro opportunities.
- Considering selective demolition

5.3 The Empty Homes Strategy will provide a framework for future empty homes activity and will enable the positive work undertaken over recent years to be built on to increase performance in this area overall.

5.4 An annual action plan will be produced which will ensure that the strategic aims of the Strategy are delivered and key actions are undertaken.

5.5 The Empty Homes Steering group will have responsibility for monitoring and delivering the action plan. This Group will be co-ordinated by the Housing Strategy Team and will include representatives from the following service areas:

- Housing Grants
- Housing Strategy
- Housing Standards Team
- Public Health Team
- Regeneration and Planning
- Highways
- Other partners as required

7.0 EQUALITY AND DIVERSITY IMPLICATIONS

7.1 An equality and diversity screening exercise has been undertaken and a full impact assessment is not required at this time. Requirements for any specific assessments will be undertaken on an ongoing basis as strategy actions are delivered.

8 CONSULTATION

8.1 A consultation exercise is not required at this stage but may be required as actions within the strategy are delivered.

- 8.2 Pre-scrutiny was undertaken with the Health & Wellbeing Scrutiny Committee on the 9th October in respect of the draft plan. Member's comments focussed around provisions of grants for landlords in order for them to buy empty properties to help with the supply of affordable housing in high demand areas.
- 8.3 In this instance, the Council's Private Sector Renewal Policy already has provision for this type of grant which can be funded via the Capital programme should the need arise. However, in recent years the Council has instead been providing an interest free loan to landlords to bring empty properties back into use which has been very popular.

9 FINANCIAL IMPLICATION(S)

- 9.1 There are currently no financial implications aligned to this report. WG funding has been awarded to the Council for the existing Houses into Homes loan scheme and the Council has made available a further £2.6 million of capital funding for the Empty Property Grant in 2018-19.
- 9.2 If any additional funding requirements are identified to support the delivery of the strategy, these will be reported to Members for agreement.

10 LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED

- 10.1 The delivery of the aims of the strategy will in some cases require the utilisation of existing Housing and Planning legislation where enforcement action in relation to an empty property is required.

11.0 LINKS TO THE CORPORATE AND NATIONAL PRIORITIES AND THE WELL-BEING OF FUTURE GENERATIONS ACT.

- 11.1 Investment in housing provides an ongoing stimulus to the local economy, by encouraging spending and local supply chains. Making available a supply of affordable homes also helps to improve the prosperity of residents and helps support a huge range of households in society that may not otherwise be able to meet their needs in the market, thereby promoting independence and positive lives for all.
- 11.2 As such, this Empty Homes Strategy will contribute to the delivery all three of the Council's Corporate Plan priorities of economy, people and place. The Strategy will also assist the Council to contribute to three of the seven wellbeing goals that 'The Well Being of Future Generations (Wales) Act 2015' puts in place as follows:

1. A healthier Wales
2. A prosperous Wales
3. A Wales of cohesive communities

12.0 CONCLUSION

- 12.1 The report and strategy sets out the aims of the Council's Empty Homes Strategy for the period 2018 -2021.
- 12.2 The Council is already taking a proactive approach to bringing empty homes back into use within Rhondda Cynon Taf and has made available significant resources to tackle the issue. However, this Strategy will provide a framework for all empty homes activity and ensure a co-ordinated and ambitious approach going forward to decrease the total number of empty homes in the County Borough overall.

Other Information

Relevant Scrutiny Committee – Health & Well Being Scrutiny.