



RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

CABINET

NEW EMPTY HOMES STRATEGY FOR 2022-2025

17 OCTOBER 2022

REPORT OF THE DIRECTOR OF PROSPERITY AND DEVELOPMENT, IN DISCUSSIONS WITH THE RELEVANT PORTFOLIO HOLDER COUNCILLOR MARK NORRIS

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Appendices - Appendix A: Empty Homes Strategy (2022-2025)
Appendix B – Equality and Diversity Impact Assessment
Appendix C – Welsh Language Impact Assessment

1. PURPOSE OF THE REPORT

1.1 The purpose of this report is to:

- provide members with an update on the progress made in bringing empty homes back into use in line with the current RCT Empty Homes Strategy (2018 – 2022), and;
- seek approval from members to agree the Council's new Empty Homes Strategy for the period 2022 -2025.

2. RECOMMENDATIONS

It is recommended that:

2.1 Members consider the information contained within this report and the progress made in bringing empty homes back into use in line with the current RCT Empty Homes Strategy (2018 – 2022).

2.1 Members approve the new Empty Homes Strategy (2022-2025).

3. REASON FOR RECOMMENDATIONS

3.1 The new Empty Homes Strategy (2022 – 2025) is required in order to continue the positive work that has been achieved through the current Empty Homes Strategy (2018 – 2022). The Council is committed to continue to tackle empty

homes across RCT and increase the number of homes being brought back into use. The Empty Homes Strategy provides clear structure and guidance to facilitate this work.

4. BACKGROUND

- 4.1 Empty private sector homes represent a wasted resource and are a 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, from 1st April 2017, revealed that there were 3,556 private sector homes that had been vacant for six months or more. This equated to 3.8% of Rhondda Cynon Taf's private housing (owner occupied and private rented) stock. The average for Wales in 2017/2018 was 2.4% with the lowest (Torfaen) having 0.78% of their stock empty.
- 4.3 Whilst, RCT was above the Welsh average and did have the highest number of empty homes in Wales, this was primarily due to the level of 'churn' in the housing market, rather than persistent long term empty homes. 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 (9%) homes** 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 a 4-year period were only 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.
- 4.4 The 684 empty homes that were identified as being empty, in all four snapshots, were identified as a focus for the Council's enforcement and enabling activity.
- 4.5 As a result, on the 4th October 2018 Cabinet approved an Empty Homes Strategy for the period 2018-2021, which aimed to 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 more sustainable way.
- 4.6 Following the approval of the Empty Homes Strategy by Cabinet, a Multi-Agency Empty Homes Operational Group (**EHOG**) was established and has continued to meet quarterly. The purpose of the EHOG was to ensure that a coherent and structured approach to tackling Empty Homes was implemented. The group has overseen and monitored the delivery of the Empty Homes Action Plan, ensuring the delivery of the objectives set out within the strategy (2018 – 2021).

5. Impact of the Empty Homes Strategy (2018 – 2022)

Long Term Empty Properties

- 5.1 In 2018, **684 long-term empty properties** were identified in RCT. A targeted approach was implemented in order to bring these properties back into use. The interventions included telephone calls to the homeowner, letters sent to the homeowner and visits to the homeowner providing advice and support on opportunities available to bring the property back onto use. As part of the intervention work, enforcement action was also undertaken, including taking action to deal with accumulations of waste, repairing defects and securing properties to prevent unauthorised access.
- 5.2 As of the 1st April 2022, all 684 (**100%**) of the long-term empty properties had received an inspection and all owners had received letters offering assistance and/or enforcement if necessary, in order to help bring them back into use. Of the 684 long term empty properties, **397 (58%)** have been brought back into use. This has been achieved as a direct result of the Environmental Housing Officer's (EHO's) interventions, various loans, grants and the proactive work undertaken by Housing Strategy officers working in partnership with landlords, via the landlord forum and Regional Social Landlords (RSL's). A further **91** properties have been brought back into use without any intervention from the Council.

Houses into Homes Loan

- 5.3 The Houses into Homes loan is a Welsh Government funded scheme which provides a loan to help return privately owned empty properties back into use. As of the 1st April 2022 **138** Houses into Homes loans had been approved, totalling **£3.91M** of loans awarded, creating **196 homes** from privately owned empty properties. The scheme continues to be well subscribed.
- 5.4 The 196 homes that have been created from the £3.91M of loans, were all delivered by local contractors. Therefore, the investment made through the Houses into Homes loans is contributing to the local economy providing a valuable work programme to local building/contractors at a very challenging time.

Valleys Taskforce Empty Homes Grant Scheme

- 5.5 Following recognition of the success of the RCT Empty Homes Grant, the Valleys Taskforce agreed to commit **£10M** to fund bringing Empty Homes back into use. RCT Council were appointed as the lead authority due to the expertise held following on from the RCT successful Empty Homes Grant initiative and model of delivery. Local Authorities in the Valleys Taskforce Area include, Blaenau Gwent, Merthyr Tydfil, Caerphilly, Rhondda Cynon Taf, Torfaen and parts of Carmarthenshire, Bridgend, Neath Port Talbot and Swansea
- 5.6 As of the 1st April 2022, a total of 1076 applications had been received across all VTF authorities, of which, 942 were deemed valid applications. Of the 942 valid applications, 488 continued with the grant process. RCT received **557 (52%)** applications, of which **263** were valid and continued with the grant

process. This has resulted in **£4.2M** of the grant funding being committed to residents of RCT in order to bring empty homes back into use, an impressive **42%** of the overall budget.

- 5.7 As of the 1st April 2022, **273** (163 from RCT) homes across the VTF area have completed on their grant and have been brought back into use, with 293 local contractors (VTF areas) involved, 58% (171) of these are RCT based contractors, resulting in these works generating approximately 255,000 hours of employment through the grant. Therefore, the investment made through the Valleys Taskforce Empty Homes Grant Scheme is contributing to the local economy providing a valuable work programme to local building/contractors.
- 5.8 Of the 488 homes that will have been brought back into use by the 31st March 2023, the vast majority of homes would have had energy efficient measures installed. Therefore, the scheme supports the Council's efforts to tackle fuel poverty and to create a clean, green and sustainable places to live, fulfilling our obligations to decarbonise housing in Wales as we work towards achieving net zero by 2050.

Homestep Plus Scheme

- 5.9 The Homestep Plus scheme is a partnership with United Welsh Housing Association where empty properties in the CF37 postcode area are purchased and renovated and then sold to first time buyers at 70% of the market value. A total of 22 empty properties were brought back into use through the Homestep Plus scheme which has now ended.

RCT Landlord Forum

- 5.10 The Housing Strategy Department hosts the RCT Landlord Forum, which is held quarterly and attended by approximately **40 landlords**. The Forum enables the Council to engage directly with landlords and potential investors in the County Borough to share information and work together to reduce the number of empty properties in RCT. During the Pandemic, the Forum was held virtually and therefore communication with landlords continued with discussions being held around opportunities to bring empty homes back into use, however the forum now meets face to face again. A Landlord newsletter is also published twice a year, which has been utilised to inform landlords of the Housing into Homes Loan and also the Council's Homestep Plus scheme.

Working with RSL's and other partners

- 5.11 In addition to bringing empty homes back into use, the council has continued to work with RSLs and other partners to bring empty commercial space back into use in town centres. These are complex schemes, which often require a number of interventions. These include; Oxford Buildings in Mountain town centre, the Boot, the Black lion and the Former NatWest Bank in Aberdare town centre, 122-126 Dunraven Street and the Former Co-op in Tonypandy town centre, the Sorting Office in Treorchy town centre and finally we have a range of significant projects including 54 – 55 Taff Street, 56 – 58 Taff Street, 9a High Street, 9a

Gelliwastad Road and the upper floors of the Principality Building on High Street in Pontypridd town centre.

Council Tax

- 5.12 From 1st April 2017, Councils in Wales have been able to charge higher amounts (a premium) of up to 100% on top of the standard rate of council tax on second homes and long-term empty homes. The legislative changes were made by the Housing (Wales) Act 2014 and the powers given to Councils are discretionary. Whether to charge a premium on second homes or long term empty home (or both) is, therefore a decision to be made by each Council. The Act also provides regulations which make exceptions to the premiums and these are set out in the Council Tax (Exceptions to Higher Amounts) (Wales) Regulations 2015 and are detailed in part 5 of this report.
- 5.13 In response to this, from 1st April 2018, owners of long-term empty dwellings in RCT have been required to pay a full council tax bill (i.e. no discount is allowed). Members took this decision as part of the Council's work in delivering its Empty Homes Strategy and this approach has significantly contributed to long-term empty dwellings reducing by 22% since the discount was removed. It is important to note that since the introduction of the 100% Council Tax charge for empty properties, the Council has seen an increase in the number of requests for advice and assistance from both landlords and home owners, to bring their properties back into use evidencing the positive impact this has had on the number of empty homes across RCT.
- 5.14 Overall, the Council's approach to tackling empty homes has had a positive impact on the number of empty homes across the borough. There have been **1,267 interventions** delivered over the last 3 years, which is above the provisional target of 400 per year; which has directly brought **692** properties back into use.
- 5.15 Council tax records show that between 2017/2018 and 2021-22, the period the Empty Homes Strategy (2018 – 2022) was implemented, the number of empty homes across the borough has reduced from **3,556 to 2,894, a reduction of 21% or 662 properties**. In the context of the Pandemic, and the resultant disruption to the housing market, this can be seen as a positive outcome.
- 5.16 Due to the success of the RCT Empty Homes Strategy (2018 – 2021) it is proposed a new Strategy is now approved and implemented in order for the Council to continue its work to tackle empty homes and bring them back into use.

6. THE EMPTY HOMES STRATEGY (2022 – 2025)

- 6.1 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.

6.2 To achieve this, the strategy (**Appendix A**) 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 RSLs, private sector partners, community groups and other stakeholders to identifying new funding models and programmes.
- Continuing with the Empty Homes Operational Group to co-ordinate delivery of the strategy, action plan and interventions.

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 Homes Grant and Houses into Homes loan schemes.

3. 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:

- Reviewing Council Tax Premiums for long term empty homes and second homes
- Promoting interventions through the use of the Councils website and social media platforms.
- Sharing information with community groups and other stakeholders.
- Targeting enforcement activity on the 905 longer term 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
- 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

6.3 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.

6.4 An annual empty homes strategy action plan (**included in Appendix A**) will be produced which will ensure that the strategic aims of the Strategy are delivered and key actions are undertaken to the specified timescales.

7. EQUALITY AND DIVERSITY IMPLICATIONS/ SOCIO-ECONOMIC DUTY

7.1 An equality and diversity screening exercise has been undertaken and a full impact assessment was required (**included in Appendix B**). In summary there are many positive impacts to groups that are covered in the equality impact assessment. The Strategy sets out the assistance available to bringing empty homes back into use, and ensures that everyone, regardless of protected characteristic group has access to affordable, safe and warm homes. The impact on age and disability is positive, explicitly because of the impact that developing new affordable homes will have on future housing supply and by offering diverse housing tenure and types. How the Council plans for future housing needs will have a huge impact on a diverse group of residents of all ages. Equally, developing 'homes for life' standard housing will mean that incorporating new designs into refurbished properties will enable residents to live longer in their own homes and easily adapt them as their mobility changes with time.

8. CONSULTATION/INVOLVEMENT

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

9. WELSH LANGUAGE IMPLICATIONS

- 9.1 A Welsh Language Impact Assessment has been prepared for the purpose of this report (**included in Appendix C**). In summary, there are many positive impacts to residents of RCT through the approaches the Council takes in tackling empty homes. Information on these different processes are published on the Council's website and therefore information on available grants, loans, advice and assistance is available in both Welsh and English.

10. FINANCIAL IMPLICATION(S)

- 10.1 There are currently no financial implications aligned to this report.
- WG funding has been awarded to the Council for the provision of property loans, which include the Houses into Homes loan (Landlord loan), the Home Improvement Loan (owner-occupier loan) and the Property Appreciation Loan (owner-occupier financial assistance loan) via Repayable Funding of £1,599,432 and Grant Funding of £1,576,024
 - The Council has made available a further £1M of capital funding for the Empty Homes Grant Scheme in 2022-2023.

11. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED

- 11.1 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 home is required.

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

- 12.1 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.
- 12.2 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

13. STRATEGIC OR RELEVANT TO ELECTORAL WARDS

- 13.1 Successful implementation of the Council's new Empty Homes Strategy for the period 2022-2025 will be of significant strategic importance.

14. CONCLUSION

- 14.1 This report and strategy sets out the aims of the Council's Empty Homes Strategy for the period 2022 -2025.
- 14.2 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

Climate Change, Frontline Services and Prosperity

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LOCAL GOVERNMENT ACT 1972

AS AMENDED BY

THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

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17 OCTOBER 2022

**REPORT OF THE DIRECTOR FOR PROSPERITY AND DEVELOPMENT IN
DISCUSSIONS WITH THE RELEVANT PORTFOLIO HOLDER (COUNCILLOR
MARK NORRIS)**

Item:

Background Papers

None.

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