



RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

CABINET

UPDATE REPORT ON THE EMPTY HOMES STRATEGY (2022-2025)

23 OCTOBER 2023

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

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Appendices - Appendix A: Empty Homes Strategy (2022-2025)

Appendix B: Empty Homes Action Plan (2022 – 2025)

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to provide members with an update on the progress being made in bringing empty homes back into use in line with the RCT Empty Homes Strategy (2022-2025).

2.0 RECOMMENDATIONS

It is recommended that:

- 2.1 Members consider the information contained within this report and note the positive progress made to date in bringing empty homes back into use in line with the RCT Empty Homes Strategy (2022 – 2025).

3.0 REASON FOR RECOMMENDATIONS

- 3.1 The Empty Homes Strategy (2022 – 2025) was approved by Members in October 2022. The Strategy was developed to continue the commitment to tackle empty homes across RCT and increase the number of homes being brought back into use. This progress report highlights what has been achieved through the first year of delivering the strategy.

4.0 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.
- 4.4 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.
- 4.5 The Strategy achieved a number of key objectives over the 3 year period delivering 1,267 interventions, which directly brought 692 properties back into use. Council tax records also showed that over this time the number of empty homes across the borough had 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 was seen as a positive outcome.
- 4.6 However, whilst it was acknowledged that positive outcomes had been achieved, the problem persisted and continued to present problems in many communities. As such, a strong strategic approach was required which had clear objectives that were deliverable and would make a difference to both the scale of empty homes that needed to be brought back into use as well as have a more fundamental impact on the total number to reverse the trend in a sustainable way.
- 4.7 To achieve this, a new RCT Empty Homes Strategy (**Appendix A**) was developed and approved by Cabinet in October 2022, which set out 5 clear strategic objectives.
 1. **To develop partnerships and vehicles that will enable an increase in the scale of empty homes being brought back into use.**
 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.**
 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.**

4. To undertake further research in communities and evaluation of existing schemes to understand why there are a high number of empty homes.
5. To identify possible solutions that could prevent homes from becoming empty and also develop interventions for different market areas and types.

4.8 The Empty Homes Strategy provides a framework for future empty homes activity and enables the positive work undertaken to continue.

4.9 An annual empty homes strategy action plan (**Appendix B**) was also produced which ensures that the strategic aims of the Strategy are delivered and key actions are undertaken to the specified timescales.

5.0 Impact of the Empty Homes Strategy (2022 – 2023) during the first year of delivery

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

Empty Property Operational Group (EPOG)

5.1 The remit of the EPOG is to take a strategic approach to wider empty homes issues and poor-quality housing by ensuring that the Empty Homes Strategy and Action plan are delivered and monitored. The work of the group ensures that a wide range of interventions are used, to support bringing empty homes back into use. This includes proactive home visits to long-term empty properties and offering various grant and loan products. The EPOG closely monitors outcomes, based on key performance indicators in line with Welsh Government requirements.

5.2 The Group meets quarterly and includes officers from Housing Strategy, Housing Grants, Public Health, Council Tax and Regeneration. A priority for the Group is to target “long term” vacant properties within the Borough, which are defined as empty properties that have been vacant for four consecutive years. The long term empty properties are identified by taking a snapshot at a point in time. A snapshot was taken in August 2022, and identified that 7% of empty properties (that had been empty within the previous 4 years), had been consecutively empty over that same period. This is a 2% improvement when compared to the data collected for the previous strategy which was at 9%. Further analysis will be carried out in year 2 of the implementation of the strategy regarding the long term empty properties to review how many of the long term empty properties have been brought back into use.

Working with Registered Social Landlord's (RSL) and other partners

- 5.3 In addition to bringing empty homes back in to use the council have been working with RSL partners to develop empty commercial buildings and buildings that will cease to be used for its current function back into use in town centres. These are complex schemes, which often require a number of interventions. There are several schemes in progress such as 122-126 Dunraven Street, Former Coop in Tonypany and the Treorchy Sorting Office. There have also been a number of new projects that have been brought into the social housing grant programme, these include; The Fruit Warehouse and Rhondda Bowl in Tonyrefail, former Cwmbach Primary School, Porth YMCA and the Button Factory.
- 5.4 in addition to this, the Council, in partnership with RSL's, have had an opportunity to utilise the Welsh Government's Transitional Capital Accommodation Programme funding to reduce the number of empty properties across RCT. In 2022/23 Trivallis submitted an application, which was supported by the Council, for 11 void properties to be brought back into use, they were successful with the application resulting in a £550k grant allocation. All 11 properties have now been brought back into use and in partnership with the Council have all been allocated to residents.
- 5.5 Further Transitional Capital Accommodation Programme funding has been made available by WG for 2023/24. The Council, in partnership with Hafod and Trivallis, have submitted applications for this funding to bring a further 7 empty properties back in to use and to acquire an additional 36 empty homes to the estimated grant amount of £5.5M. All 43 homes will then be brought back into use and in partnership with the Council will be allocated to residents.

RCT Landlord Forum

- 5.6 The Housing Strategy Team 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.
- 5.7 The latest forum took place at Pontypridd Rugby Club on the 15th August 2023. The main agenda items involved a discussion on the Additional Licensing Scheme review for Houses in Multiple Occupation, implications of the Renting Homes Wales Act and advice and guidance on re-possession cases.
- 5.8 A Landlord newsletter is also published twice a year, which has been utilised to inform landlords of the Housing into Homes Loan, the Council's Homestep Plus scheme, information from the regeneration team and various energy efficiency grants that are available. Feedback from Landlords shows that they continue to find both the newsletter and meetings of value.

Working with Welsh Government

- 5.9 Prior to the launch of the National Empty Homes Grant Scheme in January 2023, RCT participated in significant consultation regarding how the scheme would work with Welsh Government. Building on the success of the Valleys Taskforce Empty Homes Grant Scheme, discussions were facilitated to understand the criteria/functions of the scheme, funding available and achievable outcomes. RCT was recognised for its lead role for the Valleys Taskforce scheme and Local Authorities actively endorsed RCT to become the Lead Authority for the National Scheme. Following WG's request for any interested Local Authority to submit an Expression of Interest to act as a Lead Authority, RCT was appointed into the lead role. The Council subsequently worked with WG to agree a grant offer letter, staffing costs, Service Level Agreement and processes for the National Scheme.
- 5.10 Due to the success of the Houses into Homes Scheme and the Home Improvement Loans, the Council have also been involved in discussions with Welsh Government on additional funding opportunities to increase the amount of loans available. The Home Improvement Loan in particular has proved to be oversubscribed. Our partners Robert Owen Community Bank have processed 42 loans since April 2023, which clearly identifies the demand for this product. Discussions will continue with Welsh Government in the hope that more funding will become available for these schemes, due to this ongoing demand.
- 5.11 Officers are continuing to increase their knowledge and awareness of legal remedies for local authorities regarding large structures/building which are having a negative impact on neighbourhoods.

Objective 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.

RCT Empty Homes Grant Scheme

- 5.12 The RCT Empty Homes Grant Scheme offers applicants a grant of up to £20,000 to renovate and bring an empty property back into use. The property must be vacant for at least 6 months to be eligible. 75 homes have been brought back in to use since the re-introduction of the scheme in 2021 (following the conclusion of Valleys Taskforce), totalling an investment of **£1.3M** locally. A further 28 homes are expected to be brought back in to use by the 31st March 2024 which will see a further investment of £550k. The RCT Empty Homes Grant Scheme is currently closed due to the launch of the National Empty Homes Grant Scheme, which offers the same outcome.

Valleys Taskforce Empty Homes Grant Scheme

- 5.13 In 2019, 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 successful RCT 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.

- 5.14 At the end of the project on the 31st March 2023, 467 homes were brought back into use across 8 local authority (263 in RCT, 56%). A total investment of £8.6M was made (grant and client contribution) (£4.6M in RCT, 54%). It has been positive to see that 718 local contractors have been used to complete works on the 467 homes and it has been estimated that the contractors generated approximately 700,000 hours of employment because of the grant, therefore supporting the local economy.
- 5.15 Of the 467 homes brought back into use, the vast majority of homes 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.

National Empty Homes Grant Scheme

- 5.16 The Welsh Government have committed **£50M** over the next two years, to support bringing empty properties back in to use across Wales, which could see up to 2,000 long-term empty properties brought back in to use. £4.8M has been allocated to RCT (£2.4M each year).
- 5.17 A grant of up to £25,000 is available for homeowners or prospective homeowners to remove category 1 hazards from their properties to make them safe to live in and to improve their energy efficiency. Local authorities, Registered Social Landlords and Community Housing Groups are also able to apply for funding.
- 5.18 As at September 2023, 15 Local Authorities across Wales are participating in the scheme. Blaenau Gwent, Bridgend, Caerphilly, Carmarthenshire, Ceredigion, Gwynedd, Isle of Anglesey, Merthyr Tydfil, Monmouthshire, Neath Port Talbot, Pembrokeshire, Powys, Rhondda Cynon Taf, Swansea & Vale of Glamorgan.
- 5.19 RCT has received 697 applications across all participating Local Authorities (250 in RCT, 36%), of which, 377 are valid (107 in RCT, 28%).

Houses into Homes Loan

- 5.20 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. Since the start of the scheme, RCT have delivered 155 Houses into Homes loans, totalling £4.4M of loans awarded; this has created 221 units of **accommodation** from privately owned empty properties. Local contractors were used to deliver works on all the 221 homes that have been created from the loans. 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.

- 5.21 The scheme uses recycled monies to continue to provide loans and to date 128 loans have been repaid, worth £3.6M. In addition, the scheme supports the Home Improvement Loan, which is administered by our partner agency, Robert Owen Community Bank. This initiative, whilst not specifically targeted at empty properties, has provided 140 Home Improvement Loans, totalling £1.8M. This loan is for owner-occupiers and is provided interest free at affordable monthly payments, which enables residents to alleviate category 1 and 2 hazards from their homes and to escalate energy efficiency measures. Both products continue to be well subscribed.

Transforming Town Centre Loans

- 5.22 The WG Transforming Town Centre loan funding continues to be available for suitable projects. The Council administer interest-free loans to private sector property owners for the redevelopment of town centre buildings with end uses including housing. A small administration fee is usually applicable. Loan funding project applications are considered subject to planning and also an assessment process to consider the projected outputs from completed schemes. To date, in Rhondda Cynon Taf, 2 loans have been applied for and approved and delivery programmes are in place for these redevelopments.

Objective 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.

Long Term Empty Properties

- 5.23 The Empty Property Operational Group analysed the snapshot data from previous years and identified that 903 homes appeared on all four successive snapshots (i.e. in 2019, 2020, 2021 and 2022). In line with the Council's strategic approach, two dedicated Environmental Housing Officer's are working through this list completing home visits, starting with the properties that have been empty for the longest period. Work has been continuing well and is monitored via the EPOG. An analysis of the impact of the home visits on the number of long-term properties brought back into use will be conducted when the 2023-24 council tax data is available.
- 5.24 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.

- 5.25 In response to this, from 1st April 2018, owners of long-term empty dwellings in RCT were 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 significantly contributed to long-term empty dwellings reducing by 25% since the discount was removed.
- 5.26 The new Council tax premiums below came into force on 1st April 2023; and services have already seen a further increase in calls, queries etc. regarding empty property loans/grants and assistance. It will not be evident what affect the new premiums will have on the number of vacant properties until next April at the earliest.

Period property empty	Council Tax Percentage
0-6 months	Nil
7-12 months	100%
1-2 years	100% current to increase to 150%
2 years +	100% current to increase to 200%

Marketing and promoting on how to bring empty homes back into use

Council/National website and social media platforms

- 5.27 The National Empty Homes Grant webpage has been re-branded and more informative content added which includes a Frequently Asked Questions (FAQ) document and video of the grant process. Case Studies of applicants who have previously received an empty homes grant have also been uploaded to showcase the impact the grant can have for individuals.
- 5.28 A social media campaign for the National Empty Homes Grant has been running on RCT's platforms, Facebook and X (formerly Twitter) since March 2023. The campaign has achieved a reach (reach is how many times the posts have been seen by different people) of 34.8k accounts on Facebook alone, with over 70k impressions (impressions are how many times a post has appeared on a screen) across both Facebook and X (Twitter). Across both platforms in English and Welsh the Council has received 827 click throughs to the webpage. This data shows that the information being shared regarding opportunities to bring empty homes back into use is reaching people and being viewed/accessed and shared.

Mail shots

- 5.29 A mail shot targeting 2,568 empty properties (empty for 12months+) will be issued in September 2023. Included in the mailshot will be a leaflet providing information on the National Empty Homes Grant and other interventions available to support bringing empty properties back in to use.

- 5.30 In addition to the mailshot, all long-term empty properties, identified as being vacant over four consecutive council tax years, are being targeted and will have received a home visit, and or letter, offering help and assistance to bring their property back into use.

Newsletters

- 5.31 RCT's success with the Valleys Taskforce empty homes grant, National empty homes grant scheme and Houses into Homes Loans have been promoted within the Housing Strategy and Investment Service annual newsletter. The latest edition of the newsletter was published in June 2023 with copies being distributed by email to internal Council employees and across the Council's community hubs for residents to access.
- 5.32 In addition, a Landlord Forum newsletter is produced twice a year and outlines all the available grants/loans and other assistance that is available to help bring properties back into use.

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

- 5.33 Further research has shown that whilst there are empty homes throughout the whole of Rhondda Cynon Taf, the issue is most acute within several parts of the Rhondda. The numbers are not so high in Cynon and only one area (Penrhiwceiber) displays comparable levels to parts of the Rhondda Valleys. Conversely, most of Taf has a particularly low level of empty properties, with most wards containing less than 2%. Further research on the underlying trends will be conducted during year 2 of the Action Plan.
- 5.34 Following on from the identified 903 long-term voids, an analysis at ward level further highlights the above, with 7 of the top 10 wards with the highest number of long-term vacant properties being within the Rhondda. Treherbert and Treorchy wards have the most with Beddau and Llanharan the least. Further analysis of data at a ward level will be conducted during year 2 of the action plan, and if necessary interventions will be targeted at wards with the highest levels of empty properties.
- 5.35 Prior to the launch of the National Empty Homes Grant scheme in January 2023, significant consultation took place between Welsh Government and Local Authorities in Wales. Lessons learnt from the Regional Valleys Taskforce Empty Homes Grant scheme were discussed, considered, and implemented prior to the launch of the National scheme. Changes implemented included a change to the period a home needed to be empty (from 6 – 12 months). This was to target longer term empty properties and potentially avoid those properties that would have been returned in to use via 'natural churn'. The maximum grant available to applicants was increased from £20k to £25k for all essential works. Feedback from applicants, contractors and Local Authorities recognised the increase in costs of works over the past three years and the increased maximum grant award reflects this. To support Local Authorities to

work towards hitting the net zero agenda, some element of energy efficiency improvement measures to be included as part of works completed as a grant requirement (NB the grant cannot be considered for renewable measures only). Finally, as the scheme was to be expanded from regional to national, the current linguistic profile of the geographical areas concerned was taken into consideration. To ensure there were opportunities for persons to use the Welsh Language directly within the central administration team in RCT and ensure that Service users' needs are met, specific Welsh speaking staff (L5) were recruited.

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

- 5.36 The Council had previous success with the implementation of the Healthy Homes Action Area work carried out in the Tylorstown ward. This saw 643 category 1 or 2 hazards removed from the properties and 151 boiler/heating systems installed with a further 56 loft insulations and minor energy efficiency measures complete. The Council are exploring if similar targeted schemes could be delivered in Penrhiwceiber and Clydach Vale as these are areas that have the highest amount of empty homes across RCT.
- 5.37 The EPOG have explored selective demolition for some properties however when the cases have been reviewed a demolition has not been an effective solution. For example, the demolition costs have far outweighed any discernible benefits.
- 5.38 Overall, the Council's approach to tackling empty homes through the delivery of the Empty Homes Strategy has been positive and will continue to be implemented over the next 2 years.

6.0 EQUALITY AND DIVERSITY IMPLICATIONS/ SOCIO-ECONOMIC DUTY

- 6.1 An equality and diversity screening exercise was undertaken when the strategy was approved in October 2022 and a full impact assessment was not required at that time. In summary there are many positive impacts to groups that were 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.

7.0 CONSULTATION/INVOLEMENT

- 7.1 A consultation exercise was not required for this report, however this may be required as actions within the strategy continue to be delivered.

8.0 WELSH LANGUAGE IMPLICATIONS

A Welsh Language Impact Assessment was complete when the strategy was approved in October 2022. 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.

9.0 FINANCIAL IMPLICATION(S)

- 9.1 There are currently no financial implications directly 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. This funding is recyclable and the repayable funding is not due for repayment until 2030.
 - WG funding has committed £50M to the National Empty Homes Grant Scheme with RCT being allocated £4.8m of which RCT has committed to provide the 10% match funding required £480k.

10.0 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 home 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, the Empty Homes Strategy contributes to the delivery all three of the Council's Corporate Plan priorities of economy, people and place. The Strategy also assists 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 This report sets out what has been achieved during the first year of the implementation of the RCT Empty Homes Strategy.

12.2 During this period there have been 646 interventions delivered, which is above the provisional target of 400 per year. Council tax records show that during 2022-2023, the first year the Empty Homes Strategy (2022 – 2025) has been implemented, the number of empty homes across the borough has reduced from **2,892 to 2,634, a reduction of 258 properties.**

12.3 When reflecting on the empty homes data since the 1st April 2017, the Council Tax records revealed that there were 3,556 private sector homes that had been vacant for six months or more, **therefore over the last 5 years the number of empty homes reduced to 2,634, a reduction of 922 properties.**

12.3 The Council continues to take a proactive approach to bringing empty homes back into use within Rhondda Cynon Taf and has made available significant resources to tackle the issue. The Strategy provides a framework for all empty homes activity and ensures a co-ordinated and ambitious approach to decrease the total number of empty homes in the County Borough overall.

Other Information: -

Relevant Scrutiny Committee

Climate Change, Frontline Services and Prosperity Scrutiny Committee

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LOCAL GOVERNMENT ACT 1972

AS AMENDED BY

THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

CABINET

23 OCTOBER 2023

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

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