

Council – 19th November 2012

Notice of motion – Empty homes

I set out below a notice of motion to Council on 19th November 2012 from Councillors I. Shires, D.A. Shires, Woodruff and Barker:

This Council notes the important work being undertaken by the Coalition Government in tackling the empty homes problem in this country and addressing the legacy left by the last Labour Government of over ¾ million empty homes.

This Council also welcomes recent announcements made by Liberal Democrat MP Andrew Stunell, Parliamentary Under Secretary of State at Communities and Local Government, on the introduction of the Empty Homes Fund, the New Homes Bonus and also the new Empty Homes Premium which will change the rules on Council tax discount for vacant properties, potentially generating additional income for Councils like Walsall to invest in keeping communities together by bringing long term empty homes back into use rather than demolish.

The Council further notes that the initial target of the empty homes initiatives of bringing 3,300 homes back into use has been massively exceeded and, current estimates indicate that £215m of investment will ensure a total of 11,200 homes brought back into use, with further investment to come.

This Council therefore resolves that the Chief Executive be requested to write to the Minister:

- (a) Welcoming the recent initiatives on the Empty Homes Fund, New Homes and the Empty Homes Premium all of which will assist Walsall Council in tackling the current homes shortages.*
- (b) Urging the investment of the remaining Government money available under the Empty Homes Fund as a matter of priority.*

National Approach

HCA funding

The Government has provided the Homes and Community Agency (HCA) with £70m capital funding from the 2011-15 Affordable Homes Programme for a programme to bring empty properties back into use as affordable housing. Funds were allocated via a bidding round in late 2011 / early 2012.

An additional £30M towards bringing empty homes back into use was managed by Tribal Education on behalf of the Department of Communities and Local Government (DCLG). This budget was restricted to bids from community and voluntary groups.

During September 2012 DCLG announced an additional £300m for affordable homes and empty properties. No details are available yet on the proposed split between affordable and empties and or the criteria for applications.

The HCA has also administered a national grant scheme for those authorities who have significant 'clusters' of empty homes in their areas. Walsall did not qualify for this fund which was primarily aimed at the former Housing Market Renewal Area Pathfinders and required that empty homes total 10% or more in a ward or similar area.

Empty Property Premium

The Local Government Finance Bill included an allowance to a billing authority to charge an empty homes premium of up to 50% of the council tax on property left unoccupied and unfurnished for two years or more. It is the Government's intention to amend the necessary secondary legislation in time for the changes to take effect in financial year 2013-14.

Walsall approach

Currently there are approximately 1500 homes in Walsall that have been empty for over 6 months. The reasons for being empty can include

Being actively marketed for sale
Ready to let – waiting for tenant to be 'signed up'
Being refurbished to then be private let
Being refurbished to be occupied by current owner
Probate issues
Leaseholder can't sublet and doesn't want to occupy
Repossession in process

Bids for HCA funding

In early 2012 Walsall worked with Accord Housing Association to submit a regional consortium bid to the HCA including whg and Heantun Housing Associations. The HCA approved a limited part of the bid for the Heantun element only (properties in Dudley and Wolverhampton).

However, the HCA approved an additional bid by the Longhurst Group which included 10 flats over shops in Beechdale.

New Homes Bonus

In 2011/12 Walsall received £911,506 - this was allocated to our successful programme of providing loans to developers to unlock stalled housing sites. In 2012/13 the Council receive £2,007,000, of which we have allocated £500,000 to bringing empty homes back into use. This budget of £500,000 has part funded a new Empty Homes Officer post, who is using the NHB to provide:

- Works in default
- Grants (under £5,000) and
- Property charged interest free loans (up to £30,000) towards physical works in bringing empty homes back into use.

The grants and loans package to help homeowners bring empty homes back into use has now been developed and we are currently progressing applications.

Empty Homes premium

A report is going to Council in January 2013 to decide whether to implement this in Walsall, and if approved what format this would take

A handwritten signature in blue ink, appearing to read 'Tim Johnson', with a horizontal line extending to the left.

Tim Johnson
Executive Director, Regeneration

9th November 2012