

Dear Claire

Re Portfolio Holder for Planning, Housing and Commissioning (Central) decision on the "Empty Homes Strategy 2014/2017.

Decision published 10/11/2014

On behalf of the Shropshire Council Liberal Democrat Group I wish to call this decision in.

A strategy to deal with long term Empty Homes in Shropshire was previously adopted in 2011

## Background

1. The Council decided to levy a 50% premium in respect of property that had been unoccupied and unfurnished for more than two years, with effect from 1 April 2014. There is an exemption for the first month, followed by a 25% discount for the next 5 months, then full rate for the next 18 months, by which point the property has been empty for two years and a 50% premium is levied.

In the current financial year it is estimated that the premium will generate approximately £314,000. This is for all precepting authorities, the Council alone would likely receive in the order of £240,000. Looking forward to 2015/16 it is likely that similar figures would be generated.

The funding associated with the premium has been included within the Shropshire Council resource estimates and therefore has been factored in prior to the calculation of the current funding gap (£80m). Any change to the current position would, therefore, impact on the level of the funding gap.

2. Since 2010 the raw data from Government public web sites is

### All empty homes:

Shropshire %increase since 2010	9.0%
England %increase since 2010	-9.2%

### Long term empty homes:

Shropshire %increase since 2010	5.5%
England %increase since 2010	-23.0%

As can be seen Shropshire's number of empty homes is going against the national trend. Shropshire's Long term empty homes is even more out of step with the national figures. This council is failing the people of Shropshire.

3. As at 1 April 2011, there were known to be at least 2412 long term empty dwellings in Shropshire. The implications of this are significant. As stated in the Audit Commission report *Building Better Lives*, if only five per cent of empty homes could be brought back into use, councils could cut their annual homelessness costs by £1½ billion.

With the policy implemented since January 2011 the number of long term empty homes brought back into use are

For year 2011/2012 94 Homes

For year 2012/2013 74 Homes

4. The professed target is to return approximately 100 homes in each of the next two years. At this rate of activity, it will take 24 years to bring all 2412 empty homes back into use. We consider that this is not ambitious enough. We note that this is not due to the fault of staff but due to the resources and policies that have been allocated and adopted by the administration

### Consultation

The proposed policy was consulted on, but there were several deficiencies in the consultation questions, for example:

- The consultation did not ask whether Shropshire Council put in more resources so that the number of long term empty homes could be reduced more quickly, and so help more residents to have a home of their own at a rent which is affordable. The target at present is just 100 homes to be returned per year.

Three replies did however pick up this issue stating that the number of empty homes being returned for use was quite low.

The answer given to this comment was as follows:

*'The targets set for returning empty properties to use, and creating residential dwellings from empty properties, reflect the current available resources. It is thought that whilst the provision of 100 affordable homes a year may seem quite low in comparison to the total number of empty properties, this is a valuable contribution to housing supply and provides much needed affordable housing for local people.'*

- The Empty Homes Scoring sheet was not consulted on. Are the 12 categories listed correct? Is the score shown for each category correct? Is the score of 30 the correct value for identifying houses to be put into a red category?
- No comment was asked for regarding how to tackle long term empty properties outside of the Action Zones.
- Examples given were all of Market Drayton and Oswestry. None were from any other part of Shropshire. No comment was made or asked for about any problems from other parts of Shropshire.
- The proposed policy fails to address long term empty properties outside of the action zones.
- No comment was asked for regarding the reduction in the discount given during the first 6 months of a property becoming vacant.
- No figures were provided showing numbers of long term empty homes in Shropshire.
- No comment was made or asked regarding the high number of properties given exemption from the 50% council tax premium. Only 14 Local authorities have a higher number than Shropshire (out of over 300). For example, Birmingham has granted just 1897 exemptions, whilst Shropshire is shown as granting exemption to 1207 properties. There is a very large difference in the number of total properties in each of these two authorities. No comment or explanation is given.

- Of the returns only one was from a Housing Association and only nine Parish/Town Councils commented. The vast majority are listed as being from individuals. Given the low number of responses, is this a true reflection of views.
- No details or explanation is given as to what enforcement action is to be taken. No policy appears to be in place. No examples of any enforcement action is shown or commented on anywhere in the document.

In Shropshire there are currently 5286 households on the housing register for affordable homes. The proposed actions outlined will not help a significant number of these residents. To quote from the proposed policy:

*'In Shropshire there are currently 5,286 households on the housing register for affordable housing (September 2014). Approximately 35% of these households have limited opportunities to access social housing. Increasing the amount of affordable housing available through returning empty property to use can help to start addressing the lack of suitable properties for these grants'*

### **Call In**

We wish Scrutiny to look at this policy, to examine how effective the approach is and to examine how more resources and effort could be put into ensuring more long term empty homes are returned to their original intended use. This could include:

- Increased use of the New Homes Bonus. This will increase the amount paid to Shropshire Council in future years.
- Some or most of the money paid in the council tax premium be used to help implement this policy
- Alterations to the discount given to empty homes possible or wanted?
- Examination of the available grants and the bureaucracy involved in applying them
- Examination of the effectiveness of the Empty Homes Action Zones, and whether this approach should be abandoned or applied more widely across the County.

The objective is to help ensure the number of houses available for residents to live in are increased, Shropshire's percentage of long term empty homes is reduced and its position of 263rd out of 326 Local Authorities is improved so that it is in the upper quartile not towards the bottom of the lower quartile

### **Please also see attachments.**

- **A graphical format showing empty housing in Shropshire compared with the national figures.**
- **Copies of press comments made in the Shropshire Star as a result of press releases from Shropshire Council**