

**OVERVIEW AND SCRUTINY WORKING GROUP REPORT – EMPTY HOMES
REVIEW OF RECOMMENDATIONS CONSIDERED BY CABINET ON 13 MARCH 2013**

Review Recommendation	Progress Report of Action taken to implement recommendation	Resib'ty	Timescale
<p>1) Cabinet agree that an assessment/evaluation be undertaken by the Regeneration and Economic Development service grouping of the effectiveness of the existing housing renewal and regeneration policies within the Council's 8 priority housing regeneration areas to ascertain whether they have delivered the expected reduction in vacancy rates within the housing stock; and to ensure that this area of work is aligned to future regeneration priorities so that the Council is able to target scarce resources on areas where we have the greatest chances of bringing empty homes back into use and thereby making a difference.</p>	<p>General reviews of our renewal areas have been completed/will be completed as follows:</p> <p>Dawdon – 2012 Craghead – December 2013 Ferryhill Station – December 2013 Esh Winning – December 2013 Wheatley Hill – December 2013 Easington Colliery – December 2014 Dean Bank, Ferryhill – December 2014 Chilton – June 2015</p> <p>Our resources (alongside those of the HCA's) are now being targeted at the empty homes "cluster areas" – the places where we have the worst concentrations of empty homes which are:</p> <p>North Durham – Craghead and South Moor South Durham – Coundon & Dene Valley (including Coundon Grange, Close House, Auckland Park & Eldon Lane); Dean Bank and Chilton East Durham – Easington Colliery</p> <p>A delivery plan for each of these areas is being drawn up which will bring together other housing investment and community based regeneration initiatives</p> <p>We are in the process of completing a review of the licensing area of Wembley, Easington Colliery which will be presented to Cabinet in November 2013. This will help us to understand whether licensing has helped reduce the numbers of empty homes.</p>	<p>Housing Regeneration</p> <p>Housing Regeneration</p> <p>Housing Regeneration</p> <p>Housing Regeneration</p>	<p>Dec 2013 to June 2015</p> <p>March 2015</p> <p>Nov 2013</p> <p>Dec 2013</p>

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<p>2) Cabinet agree that the development of projects/ bids as part of the Affordable Homes programme and associated Empty Homes 'Cluster Bid' scheme be supported and that the Council continues to work with housing partners in the RSL and Private sector to deliver projects that will increase the number of empty homes brought back into use.</p>	<p>The funds for the HCA cluster programme have been secured but having market tested the appetite for leasing; we found that social landlords were not prepared to participate in this initiative.</p> <p>Therefore a new approach has had to be adopted which will involve closer working with private landlords and owner occupiers. The Council intends to widen the availability of loans and grants for those priority areas (the HCA cluster areas) through the provision of an interest free loan (non means tested) and/or small scale grants (upto £5,000) to incentivise the bringing back into use of empty homes. The Council's Financial Assistance Policy is being revised to reflect these changes.</p> <p>RSLs in the priority areas have been asked to work up a homesteading scheme to allow long term empty homes in their ownership be sold at less than market value for the benefit of low income purchasers/first time buyers. The first stage of this project should be ready to proceed by December 2013</p>	<p>Housing Regeneration</p> <p>Housing Regeneration</p>	<p>Oct 2013</p> <p>Dec 2013</p>
<p>3) Cabinet agree that those Empty Homes Cluster bids identified within the report be supported and approve any associated requests for Capital resources as 'matched funding' that is required as a condition of Homes and Communities Agency funding to implement these schemes.</p>	<p>This has been achieved – revisions to the Council's Financial Assistance Policy are being made so that funds from the HCA's cluster programme can be spent.</p>	<p>Housing Regeneration</p>	<p>March 2015</p>

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<p>4) Cabinet support the development of new business models aimed at bringing empty homes back into use, particularly those identified within the ARC4 Consultant's report regarding 'purchase to lease' and 'homesteading' schemes.</p>	<p>The homesteading scheme is being progressed in our priority cluster areas. The three housing associations who have empty stock in the areas (Ivin; Three Rivers and Accent) have lent their support in principle to this initiative. The two ALMOs (East Durham Homes and Dale and Valley Homes) will also participate.</p> <p>The purchase to lease model has been progressed as part of the HCA's empty homes programme – especially through Derwentside Homes and Five Lamps. The leaseback arrangement requires a private landlord to allow a long lease to be agreed with a provider (normally a housing association) in return for their home being improved and let at an affordable rent. The model works with subsidy but has not been tested without grant.</p>	<p>Housing Regeneration</p>	<p>Start Dec 2013</p>
<p>5) Cabinet agree that the proposed Local Council Tax Support Scheme (LCTSS) be supported and cabinet consider the ring-fencing of surplus resources generated by the removal of Council Tax discounts for empty homes and the introduction of the empty homes premium (over and above that required to ensure that the LCTSS is cost-neutral to the MTFP) for empty homes projects.</p>	<p>The new Council tax regime has been implemented. No surpluses from council tax collection have been identified as it has all been used to cross subsidise the LCTSS.</p>	<p>Housing Regeneration/Revenues and Benefits</p>	<p>tba</p>

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<p>6) Cabinet agree that a root and branch review of the existing products, advice, funding streams and associated policies relating to empty homes and housing regeneration/renewal be undertaken to examine any potential to relax conditions that are placed upon development partners which may adversely impact on their ability to secure investment funds/capital from financial institutions.</p>	<p>A new Action Plan dedicated to empty homes has been developed that will offer wider opportunities to address empty homes. The draft version of this Action Plan is attached.</p>		
<p>7) Cabinet agree that in accepting the reduced performance targets for 2012/13 from 70 to 50 empty homes brought back into use, further work be undertaken by the RED Service Grouping Housing Regeneration and renewals team to implement a systematic approach to performance management which will enable the development of robust benchmarking regarding empty homes and SMART targets.</p>	<p>Our performance is monitored quarterly. So far 31 properties have been brought back into use in this financial year (to 30th June 2013).</p>	<p>Housing Regeneration</p>	<p>ongoing</p>
<p>8) Cabinet agree that a feasibility study be undertaken by the RED Service Grouping to examine a potential 'invest to save' initiative to increase the complement of Empty Homes officers utilising potential New Homes Bonus resources generated through improved Council performance in bringing empty homes back in to use.</p>	<p>This has not progressed. The introduction of further restrictions on a local authority's discretion to spend the New Homes Bonus (which following the Spending Review in June now has to cross subsidise LEP growth funding) makes this initiative much more difficult to deliver. It should be noted that the Council have commissioned 'Capacity Grid' to check on the occupancy status of all long term voids in the county so that our New Homes Bonus can be maximised when we submit returns later in the year.</p>	<p>Housing Regeneration</p>	<p>ongoing</p>