

ITEM No ...2.....

REPORT TO: COMMUNITY SAFETY & PUBLIC PROTECTION COMMITTEE – 24 APRIL 2017

REPORT ON: EMPTY HOMES OFFICER PROJECT

REPORT BY: EXECUTIVE DIRECTOR OF NEIGHBOURHOOD SERVICES

REPORT NO: 125-2017

1. PURPOSE OF REPORT

1.1 To advise the Committee of progress made in the first year of the Empty Homes Officer project. This is a shared service project between Dundee City Council and Angus Council.

2. RECOMMENDATIONS

2.1 The Committee are asked to note the positive progress being made by this project in regards to empty homes work and the encouraging outcomes achieved to date.

3. FINANCIAL IMPLICATIONS

3.1 The total cost of the post from December 2015 to November 2016 amounted to £29,872. The Scottish Government are providing funding of £20,000 towards the post in the first year, leaving the balance of £9,872 to be funded equally between Angus Council and Dundee City Council.

3.2 The Scottish Government will contribute £10,000 in the second year with the balance again shared between the two councils.

3.3 Dundee City Council's share of these costs is contained within existing budgets.

4. MAIN TEXT

4.1. Background

4.1.1. This project is a partnership between the Scottish Government, Dundee City Council and Angus Council. Dundee City Council have been actively working with the Scottish Empty Homes Partnership, funded by the Scottish Government and co-ordinated by Shelter Scotland to develop services aimed at bringing long term private sector empty homes back into residential use.

4.1.2. One focus of the Scottish Empty Homes Partnership is to support local authorities to develop a shared service approach to empty homes work. Through the Scottish Empty Homes Partnership, the Scottish Government agreed to part fund a shared service post between Dundee City Council and Angus Council. This post was established in December 2015 and will operate as a pilot scheme for a period of two years.

4.1.3. The aim of this project is to increase the available stock within the Private Sector by encouraging owners of long term unoccupied properties to bring them back into residential use. The targeted outcomes are to deliver a decrease in long term vacant residential properties, improve housing supply, support community regeneration, restore confidence in local property markets, and discourage anti-social behaviour.

4.1.4. This project has now been operating for one year with the Empty Homes Officer embedded in the Private Sector Services Unit of Neighbourhood Services.

4.1.5. There are currently approximately 34,000 long term Private Sector empty homes in Scotland. The Scottish Government aim to encourage owners of empty homes to bring their properties back into use.

4.1.6. Following the success of the Scottish Empty Homes Partnership, the Scottish Government have now part-funded a number of Empty Homes Officers. Presently 17 councils within Scotland have access to a dedicated Empty Homes Officer.

4.1.7. In Dundee there are presently 3,626 unoccupied properties with 1,336 of these unoccupied for 6 months or more. This means 1.8% of the total dwelling stock has been unoccupied for 6 months or more. The Dundee private sector accounts for 3.92% of Scotland's long term unoccupied property stock.

4.2. **Partnership Working**

4.2.1. The Council Tax (Variation for Unoccupied Dwellings) (Scotland) Regulations 2013 increased local authorities discretionary powers to vary Council Tax surcharges payable on unoccupied dwellings and to also determine how this income is spent. Dundee City Council introduced these powers in April 2016, with properties unoccupied for a period of 12 months or more now being levied with an additional 100% Council Tax surcharge.

4.2.2. The Scottish Government are committed to increasing the available housing stock by encouraging owners of empty properties to bring them back into residential use. The application of the additional charge together with the work of the Empty Homes Officer are both key to helping achieve this national aim.

4.2.3. The initial approach of empty homes work was to target owners who were being levied with the additional surcharge in April 2016. In January 2017 there were 350 properties in Dundee being levied with this additional surcharge.

4.3. **Progress in Dundee to Date**

4.3.1. The project has grown significantly as its profile has been raised, from 13 active cases in April 2016 to 69 active cases at the end of the final quarter of year one. In each of these cases the Empty Homes Officer has been actively engaging with owners to provide advice and assistance to help bring their property back into residential use.

4.3.2. Since April 2016, the Empty Homes Officer has distributed 375 introductory letters and surveys to owners of unoccupied properties receiving the vacant dwelling additional Council Tax surcharge.

4.3.3. In its first year of operation 20 long term unoccupied properties have been returned to residential use in Dundee through help and assistance from the Empty Homes Officer. This meets the typical target quantity set by the Scottish Empty Homes Partnership. All outcomes achieved are logged within Annex A.

4.4. **Type of Cases**

4.4.1. The Dundee City Council Empty Home Owners Survey has helped to build an understanding of the current circumstances surrounding long term unoccupied properties in Dundee.

4.4.2. Dwellings are commonly left unoccupied for a number of reasons, including but not limited to the following:

- Pending a change of ownership (for example, in the process of being sold/let)
- Owners awaiting increases in market conditions before selling
- Owners may be trying to sell their property, receiving little or no interest

- Owners lack information on options available to bring properties back into use
- Owners lack available finances to undertake any required renovation works
- The owner has moved into care
- Perceived problems with renting

4.4.3. Of owners who completed and returned the empty homes survey, exactly 50% highlighted that owning an unoccupied property either constantly or frequently caused them complications.

4.4.4. When asked to describe the condition of their property, 29% highlighted that their property was either in a very poor or poor condition and therefore required some degree of attention.

4.4.5. When asked which empty homes services might encourage them to bring their property back into use. 78 highlighted that they required advice related to renovation, renting, or selling their property. 44% highlighted that they required help to find a buyer or tenant for their property. 22 were also interested in the available builder's merchant's discounts that are offered through the empty homes initiative.

4.5. **Communication and Referral Routes**

4.5.1. Initial engagement letters were drafted to follow guidance set out by the Scottish Empty Homes Partnership. These letters provide information on the benefits of returning a property to use, as well as an overview of current incentives and schemes available for empty property owners. Case referrals are received on a monthly basis.

4.5.2. Awareness of the circumstances concerning each case is critical to successful empty homes work. The Empty Home Owner Survey was designed and implemented in early 2016. This survey aims to obtain comprehensive information on each property enabling the empty homes officer to provide bespoke information and assistance where appropriate. A survey questionnaire is attached to each introductory letter which can be completed online or offline.

4.5.3. To coincide with the introduction of the vacant dwelling additional Council Tax surcharge, the Benefit Delivery team also implemented an unoccupied property review system to evaluate properties subject to the additional surcharge. Liable parties are contacted one month prior to the commencement of the additional surcharge to establish the status of each property and to highlight help or assistance that is available. Council Tax Officers are now utilising information from the telephone surveys to make case referrals to the Empty Homes Officer.

4.6. **Incentives Available to Empty Home Owners**

4.6.1. A number of practical incentives are available to help empty home owners within Dundee bring their properties back into residential use. These incentives include the following:

- **VAT Reductions on Eligible Renovations**

If an owner is bringing a property that has been empty for two years or more back in to use then the owner may be eligible to receive a reduced rate of VAT on eligible renovation works. An owner must use a VAT-registered contractor to be eligible for this discount.

- **Discounted Rates from National Builders Merchants**

Since the introduction of the Scottish Empty Homes Partnership, a Scottish-wide discount scheme is in place with a number of builders merchants to support the scheme.

- **Dundee City Council Property Matchmaker Scheme**

This scheme was introduced in October 2016. This scheme matches empty home owners who wish to sell with parties who wish to buy long term unoccupied properties. The Empty Homes Officer facilitates contact between the two parties. This scheme helps owners find a buyer if they have been having difficulty selling or if a property is in poor condition.

- **Discretion Related to the Vacant Dwelling Additional Surcharge**

Discretion relating to the Dundee City Council vacant dwelling additional Council Tax surcharge was introduced in August 2016.

Scottish Government guidance gives examples of when a Local Authority may want to exercise discretion. Examples include, when an owner is finishing renovation works prior to moving in/selling/letting and can demonstrate that works are progressing; when a property is taking a long time to sell or let in a stagnant market despite being reasonably valued; and any other circumstances where the owner has agreed with the Empty Homes Officer to take steps to reoccupy their property and it is in the view of the Empty Homes Officer that a time limited Council Tax increase 'holiday' would encourage the property to be brought back into use sooner.

5. **ESTABLISHING POSITIVE RELATIONSHIPS**

5.1. Joint working has shown to be extremely beneficial in the growth of this project. Relationships have been forged and developed with the following:

- Dundee City Council Customer Service and Benefit Delivery Team, as well as the Dundee City Council Corporate Debt Team;
- The Scottish Empty Homes Advice Service - The Empty Homes Officer regularly receives referrals direct from the advice service that is hosted within Shelter Scotland;
- The Scottish Empty Homes Partnership - Attending national meetings and workshops focusing on the promotion of best practice and offering networking opportunities;
- Private Landlord Support Officer/Dundee Homefinders Service –Complimentary projects providing letting opportunities and referrals.

6. **OPPORTUNITIES AND DEVELOPMENTS**

6.1.1. **Opportunities**

Interest in the project has been significant and widespread as indicated below:

- Shelter Scotland approached Angus and Dundee Councils to trial an area based empty homes media campaign using local radio services;

- Locally produced leaflets and advice sheets as well as case studies have been fed into the Scottish Empty Homes Partnership Knowledge Hub. This tool has been designed to stimulate and respond to queries from other projects;
- The Empty Homes Officer has contributed information and statistics for articles in the local press; and
- The development of the project has also been well received from the Scottish Empty Homes Partnership advisory board including representatives of: Shelter Scotland; Scottish Government; Scottish Association of Landlords; Scottish Land and Estates; and Historic Environment Scotland.

7. **LOOKING FORWARD**

- 7.1.1. The project is currently a pilot project until December 2017. Over the second year of the project the Empty Homes Officer will continue to develop and diversify the Councils approach to empty homes work.
- 7.1.2. The intention is to increase engagement to include all owners who own long term unoccupied properties. Early intervention will give all long term empty home owners the opportunity to access relevant information and assistance before receiving any additional Council Tax surcharge. Currently, the Empty Homes Officer engages after the additional surcharge has been introduced on a property.
- 7.1.3. The Empty Homes Officer will continue to develop incentives available to owners and explore incentives available in other Scottish councils, including the option of an Empty Homes Loan Funds.
- 7.1.4. Empty Homes Loan Funds are used to help owners to bring their long term unoccupied properties back into residential use. Loans are made available to help owners bring their properties up to the repairing standard and therefore fit for occupation. Once a property has been brought up to the required standard the agreed loan amount will then be paid. The owner is then tied into renting this property for a minimum of 5 years at Local Housing Allowance rates or below. Loans are typically paid back in agreed monthly instalments over a period of between 5 and 7 years.
- 7.1.5. Presently within Scotland there are 21 Local authorities administrating Empty Homes Loan Funds in some form. 8 of these local authorities run in-house Empty Homes Loan Funds, with 13 other local authorities having Scottish Government Funded Empty Homes Loan Funds with funds still available.
- 7.1.6. A further report on the Empty Homes Officer Project will be brought to the Committee in autumn 2017 to provide a final review of the pilot.

8. **POLICY IMPLICATIONS**

- 8.1 This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management - an Equality Impact Assessment Report is attached.

9. **CONSULTATIONS**

- 9.1 The Council Management Team have been consulted in the preparation of this report.

Elaine Zwirlein

Executive Director of Neighbourhood Services

Tom Stirling

Head of Community Safety & Protection

20 March 2017

Annex A: Properties Returned to Use – Outcomes Achieved

Reference Number	Postcode Area	Help Required	Outcome	Unoccupied Period
Property returned 1	DD3	1, 2, 6	Sold	3 Years 10 Months
Property returned 2	DD4	2, 3, 5,6	Let	1 Year 2 Months
Property returned 3	DD3	3,4,5,6	Occupied	10 Years 2 Months
Property returned 4	DD3	2, 5	Let	4 Years 9 Months
Property returned 5	DD4	2, 5	Let	12 Years 4 Months
Property returned 6	DD2	1,2,3,5,6	Sold	1 Year 6 Months
Property returned 7	DD2	1, 5, 6	Sold	4 Years 7 Months
Property returned 8	DD3	2, 5	Let	3 Years 9 Months
Property returned 9	DD2	1, 2, 4, 5	Sold	4 Years 5 Months
Property returned 10	DD4	1, 5	Sold	3 Years 1 Month
Property returned 11	DD4	2, 5, 6	Let	2 Years 4 Months
Property returned 12	DD4	1, 3, 4, 5	Sold	1 Year 6 Months
Property returned 13	DD1	1, 2, 6	Let	1 Year 9 Months
Property returned 14	DD3	1, 5, 6	Sold	2 Years 7 Months
Property returned 15	DD2	1, 2, 3, 6	Occupied	2 Years 4 Months
Property returned 16	DD4	1, 5, 6	Sold	2 Years 4 Months
Property returned 17	DD4	2, 5	Let	18 Years 4 Months
Property returned 18	DD3	2, 5, 6	Let	2 Years 11 Months
Property returned 19	DD5	6	Reclassified (Commercial)	1 Year 3 Months
Property returned 20	DD4	2, 3, 5, 6	Let	1 Year 11 Months

HELP REQUIRED KEY

1. Advice related to selling
2. Advice related to renting
3. Advice related to renovating
4. Help to find a buyer or tenant
5. Information/access to incentives
6. Council tax enquiry

EQUALITY IMPACT ASSESSMENT TOOL

Part 1: Description/Consultation

Is this a Rapid Equality Impact Assessment (RIAT)?		Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Is this a Full Equality Impact Assessment (EQIA)?		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Date of Assessment: April 2017		Committee Report Number: 125 - 2017	
Title of document being assessed: EMPTY HOMES OFFICER PROJECT			
1. This is a new policy, procedure, strategy or practice being assessed (If yes please check box) <input checked="" type="checkbox"/>		This is an existing policy, procedure, strategy or practice being assessed? (If yes please check box) <input type="checkbox"/>	
2. Please give a brief description of the policy, procedure, strategy or practice being assessed.		Report intends to inform Committee of the progress of the Empty Homes Officer project within the first year of its inception. This is a shared service project between Dundee City Council and Angus Council.	
3. What is the intended outcome of this policy, procedure, strategy or practice?		To reduce the number of empty homes within the city and to bring long term empty homes back into residential use.	
4. Please list any existing documents which have been used to inform this Equality and Diversity Impact Assessment.		N/A	
5. Has any consultation, involvement or research with protected characteristic communities informed this assessment? If yes please give details.		No.	
6. Please give details of council officer involvement in this assessment. (e.g. names of officers consulted, dates of meetings etc).		Colin McCrae (Private Sector Services Unit);	
7. Is there a need to collect further evidence or to involve or consult protected characteristics communities on the impact of the proposed policy? (Example: if the impact on a community is not known what will you do to gather the information needed and when will you do this?)		No.	

Part 2: Protected Characteristics

Which protected characteristics communities will be positively or negatively affected by this policy, procedure or strategy?

NB Please place an X in the box which best describes the "overall" impact. It is possible for an assessment to identify that a positive policy can have some negative impacts and visa versa. When this is the case please identify both positive and negative impacts in Part 3 of this form.

If the impact on a protected characteristic communities are not known please state how you will gather evidence of any potential negative impacts in box Part 1 section 7 above.

	Positively	Negatively	No Impact	Not Known
Race / Ethnic Minorities	<input type="checkbox"/>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>
Gender	<input type="checkbox"/>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>
Gender Reassignment	<input type="checkbox"/>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>
Religion or Belief	<input type="checkbox"/>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>
People with a disability	<input type="checkbox"/>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>
Age	<input type="checkbox"/>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>
Lesbian, Gay and Bisexual	<input type="checkbox"/>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>
Socio-economic	<input type="checkbox"/>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>
Pregnancy & Maternity	<input type="checkbox"/>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>
Other (please state)	<input type="checkbox"/>	<input type="checkbox"/>	x <input type="checkbox"/>	<input type="checkbox"/>

Part 3: Impacts/Monitoring

<p>1. Have any positive impacts been identified?</p> <p>(We must ensure at this stage that we are not achieving equality for one strand of equality at the expense of another)</p>	No.
<p>2. Have any negative impacts been identified?</p> <p>(Based on direct knowledge, published research, community involvement, customer feedback etc. If unsure seek advice from your departmental Equality Champion).</p>	No.
<p>3. What action is proposed to overcome any negative impacts?</p> <p>(e.g. involving community groups in the development or delivery of the policy or practice, providing information in community languages etc. See Good Practice on DCC equalities web page).</p>	N/A
<p>4. Is there a justification for continuing with this policy even if it cannot be amended or changed to end or reduce inequality without compromising its intended outcome?</p> <p>(If the policy that shows actual or potential unlawful discrimination you must stop and seek legal advice).</p>	N/A
<p>5. Has a 'Full' Equality Impact Assessment been recommended?</p> <p>(If the policy is a major one or is likely to have a major impact on protected characteristics communities a Full Equality Impact Assessment may be required. Seek advice from your departmental Equality lead.)</p>	No.
<p>6. How will the policy be monitored?</p> <p>(How will you know it is doing what it is intended to do? e.g. data collection, customer survey etc.).</p>	Will be kept under review by officers and a further report on progress brought to Committee.

Part 4: Contact Information

Name of Department or Partnership	Neighbourhood Services
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Type of Document	
Human Resource Policy	<input type="checkbox"/>
General Policy	x <input type="checkbox"/>
Strategy/Service	<input type="checkbox"/>
Change Papers/Local Procedure	<input type="checkbox"/>
Guidelines and Protocols	<input type="checkbox"/>
Other	<input type="checkbox"/>

Manager Responsible	Author Responsible
Name: Colin McCrae	Name: Sean Maxwell
Designation: Private Sector Services Manager	Designation: Empty Homes Officer
Base: 3 City Square, Dundee	Base: 3 City Square, Dundee
Telephone: Ext. 6832	Telephone: Ext 3178
Email: colin.mccrae@dundeecity.gov.uk.	Email: Sean.maxwell@dundeecity.gov.uk

Signature of author of the policy:	Date: 11 April 2017
Signature of Director/Head of Service:	Date: 11 April 2017
Name of Director/Head of Service: Tom Stirling	
Date of Next Policy Review: To be determined	