

Housing & Environment Commission

Empty Homes – Interim Report

The Housing & Environment Commission chose 'Empty Homes' as its first topic for investigation in 2018-19. The inquiry scope included both public and private stock and the Commission took a report from Officers at its meeting on October 17th 2018.

There were a number of drivers for this inquiry:

- Recognition of recent challenges relating the turn-around of voids;
- The need to maximise our use of existing stock to meet the needs of Southwark residents on our council housing waiting list (approximately 10,500);
- Anecdotal evidence of new build properties, especially in the north of the borough, being left vacant (so-called 'buy to leave').

Council Officers present at that meeting to give evidence included:

Paul Langford, Director of Resident Services, Housing and Modernisation

Cheryl Russell, Area Manager, Housing Modernisation

Keith Kiernan, Specialist Services Contract Manager

Michelle Williams, Project Officer

At that meeting, the Commission requested further information from Council Officers on a range of topics. This information, where available, is presented below. Officers have advised however that at this stage, they are unable to fully answer the Commission's questions on empty homes in the private sector. A working group has been established to look at the available data, ways of measuring empty homes and responding to the challenge. The Commission hopes that this group will be able to report back to Scrutiny in due course.

1) Overall Figures on Empty Homes

- There is some confusion about the overall number of empty homes in Southwark. Various figures and estimates have been made but nothing which is authoritative, especially on empty homes in the private sector. *The Council should establish a methodology for the estimation of empty homes and should release this figure annually as a matter of course.*
- At the Housing & Environment Commission's meeting on 17th October 2018, the number of empty council homes was provided as follows:
 - 307 properties due to refurbishment decisions awaiting
 - 846 properties on the Aylesbury Estate awaiting demolition
 - 27 properties awaiting decisions regarding disposal
 - 144 active voids being turned around.
- The figures presented in the written report from Officers presented the information in a slightly different way. That document gave a headline figure of 664 empty council properties

of which 499 are 'non-active' - including 140 awaiting demolition - and 165 are 'active'. The discrepancy in the 'non-active' figures (between the report and the Commission meeting) appears to result from the next phase of the Aylesbury Estate regeneration moving forward.

- The Commission recognises that time has been needed to ensure the right decisions are made regarding the Ledbury and Maydew House on the Abbeyfield Estate. Both of these projects are now moving forward and the proposed works on Maydew House went out to procurement before Christmas. *The Commission recommends that the use of vacated properties on the Aylesbury Estate continues to be maximised by the Council for temporary accommodation.*

2) Council Stock – Voids

- The Council Plan now includes a target to turn around voids within 28 days which the Commission welcomes. The Commission recognises that a considerable amount of work has been done by the recently established 'Voids Project Group' and that the current turnaround time is now averaging 33 days. This compares with an average time of 107 days in 2017/18.
- The Commission notes that a review of the Council's work on voids has been commissioned from Housemark in order to further improve performance. We also note that the Council's in-house provider, Southwark Building Services (SBS) have taken on all voids work across the borough from October 2018. We therefore expect to see further improvements and *the Commission recommends that a further follow-up report be brought to Scrutiny in due course to track progress against these changes.*
- The Commission remains concerned about major voids and some of the historic long-term voids which remain in the system. *Further figures have been requested which break down the council voids into those that have been empty for less than 12 months, 12-24 months, and any over 24 months. It would also be helpful to have the average turnaround time for those classified as 'major voids'.*
- *The Commission also requests that any follow-up reports includes information about adaptations to voids, and the average time taken to prepare a property for new residents requiring adaptations.*

3) Council Stock – Disposal Policy

- The Commission asked for clarification on the Council's current 'disposal policy'. *We remain concerned by the lack of available family homes in the borough and urge the Council to retain larger properties within its stock wherever possible.*
- Council Officers have explained that when properties require significant investment, they are referred to a specialist team. Previously, a requirement for investment for around £50,000 or more would have automatically led to a disposal. Property decisions are now more contextualised and there are examples of greater sums being invested in order to

retain properties. *The Commission would like further clarification on the current policy and process, and recommends that the disposal policy be reviewed going forward in light of housing need.*

4) Empty Homes in the Private Sector

- The Commission sought clarification on the number of estimated private sector empty homes in the borough. No figures for this were provided in the Officers' report although discussion referred back to council tax data from the Department for Communities and Local Government (DCLG). The 2017 CLG data refers to an estimated 5,944 empty properties in Southwark (public and private sector). *The Commission requests further work be done by Officers to fully understand these figures. We would like a report to come back to the Commission later in 2019 providing an updated headline figure and further detail on how this breaks down, including housing association properties and so-called 'buy to leave' properties.*
- The Commission would like to better understand the range of policy options available to the Council to dis-incentivise so-called 'buy to leave'. *The Commission has urged the Council to levy the maximum amount of council tax premium on empty homes.*
- The Commission heard about the Council's work to bring empty homes back into use through the use of grants and loans, and repair and lease agreements. Properties can also be rented through housing solutions, including as temporary accommodation, as an option for owners who feel unable to manage their properties directly. In 2017-18, 30 properties were brought back into use as a result of this work. Whilst the examples provided are welcome, the team appears small given the caseload. We were told that there are 1000s of properties on the team's database, with around 600 open cases.
- The Commission discussed possible enforcement action including the use of Compulsory Purchase Orders (CPOs) and Empty Management Dwelling Orders (EMDOs), the second of which enable the Council to take up temporary management of an empty property for up to seven years. It was reported that the Council was currently exploring five CPOs but does not favour the use of EMDOs due to the administrative costs involved. *The Commission would like to understand whether there would be a long term 'return on investment' the council by expanding the empty homes team further.*
- Finally, the Commission also discussed the issue of furnished properties which are infrequently let (not counted as 'empty' in CLG statistics). *In the first instance, the Commission would like to understand what the Council is doing to understand the extent of this practice across the borough, and what data sources might be drawn upon.*

Conclusion

Given the significant pressures on housing in the borough, the issue of empty homes and how existing housing stock – both public and private – is used, must be front of mind. The Commission looks forward to a further meeting on this issue, later in 2019, to fully explore the outstanding issues raised in this report.