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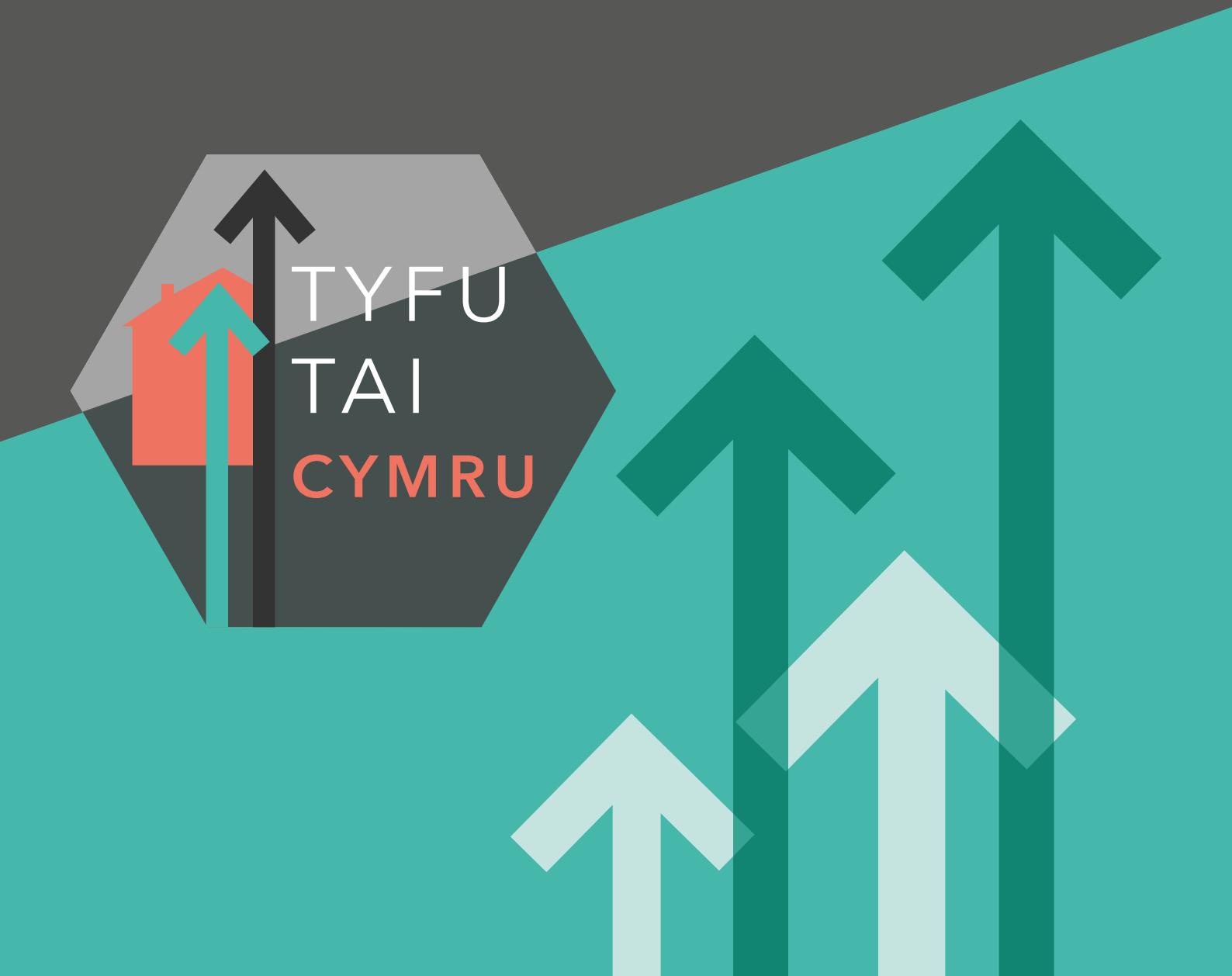
Wales Co-operative Centre
Canolfan Cydweithredol Cymru



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Community led approaches to addressing empty homes

Amy McMurray, Anthony Morgans, Emma Parcell



Introduction

Twenty out of every 1000 properties in Wales is lying empty.

278,018 properties across England, Wales and Scotland are currently long-term empty homes, according to Home Alone research commissioned by Admiral Insurance¹. While England has the highest number of long-term empty homes at 216,186, Wales has the highest proportion at 20 in every 1,000 properties². Figures from the recent inquiry into empty homes by the Equality, Local Government and Communities (ELGC) Committee suggest there are roughly 27,000 long-term empty properties within the private sector in Wales and 1,400 in the social housing sector³ (Senedd, 2019).

The tools currently at the disposal of local authorities and partners have had limited success in reducing the overall amount of empty homes despite a wide variety of good practice emerging. Properties fall vacant for a range of reasons, including accidental ownership, people falling into negative equity and homes falling into a poor state of disrepair. Not only are empty properties a waste of a valuable resource, they are a blight for communities, and have an increased risk of encouraging anti-social behaviour and pest infestations.

The COVID-19 pandemic and the lockdown experience of 2020 has magnified urgent need for safe and decent homes for everyone. The huge challenges facing the UK highlight how our homes are as valuable resource that can improve the lives of communities.

Underpinning this report is our belief that decent housing is at the foundation of a society where all people are able to live and contribute to Wales' future. This is a contribution to the wider discussion about ensuring everyone has a home that works for them.

This paper is a summary of research undertaken on behalf of Tyfu Tai Cymru (TTC) in Summer 2020. TTC is a five-year housing policy project that aims to provide insightful analysis and fill evidence gaps to support policy progression. Funded by the Oak Foundation, the TTC project is managed by the Chartered Institute of Housing Cymru.

The research was undertaken by a group of students in their final year on the BSc Housing Studies Degree Programme at Cardiff Metropolitan University. Their research set out to understand the role community-led approaches could play in overcoming some of the barriers to bringing empty homes back into use.

Why community-led housing?

The Senedd's ELGC committee recent report on empty homes (2019) states that working with community groups to understand their priorities is crucial to the success of tackling empty homes, based on the links with community regeneration being a common thread through much of the evidence.

Working within the local community to bring empty homes back into use provides not only a safe place for people to live but can also rebuild communities, provide employment, develop skills and ensure better energy efficiency to reach decarbonisation goals.

Community-led housing can be defined as "any housing scheme involving communities that are taking a leading role in providing housing solutions for people in need" (Wales Co-operative Centre, 2019). These schemes can be varied, they can build new homes, protect existing affordable

¹<https://thenegotiator.co.uk/empty-homes-two-billion/>

²<https://thenegotiator.co.uk/empty-homes-two-billion/>

³<https://business.senedd.wales/mglIssueHistoryHome.aspx?Id=25057>



homes, create homes from empty properties, and provide homes of all types of tenure (Wales Co-operative Centre, 2019).

In the case of co-operative community-led housing solutions, the community can allocate properties, having their say on who they would like to live there. If repairs and maintenance are required, the residents would take care of this themselves, enabling them to put jobs out to tender and have choice and control over who they employ to carry out the maintenance tasks.

The outcomes for housing associations or local authorities, depending on who owns the stock, includes reducing the need for repairs and maintenance. The income from the rents and service charge can pay the salary of the management team. This reduces the outgoings for the housing association or local authority. This is all dependent on the type of funding that has been acquired and the nature of the regeneration.

Senedd ELGC Committee recommendation:

"We recommend that the Welsh Government, in its work with local authorities and other partners, should emphasise the importance of community-based approaches to ensure this aspect is prioritised and plans for dealing with empty properties properly reflect the views of communities."

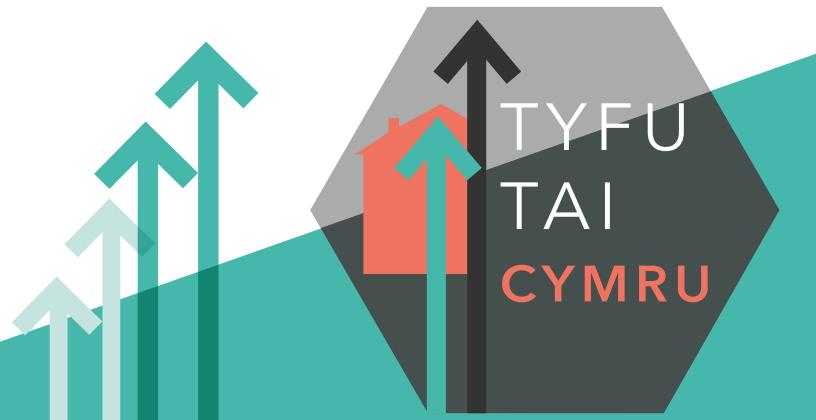
Welsh Government response:

"My team has also started discussions with social landlords and cooperative housing colleagues and will be encouraging them to come to Welsh Government with their solutions to tackling empty properties. This information will form part of our Empty Property Toolkit which will be available by January 2021."⁴

We commissioned this report as support to the Senedd ELGC recommendations and the Welsh Government's response.

We believe that investing in community solutions will have far reaching implications. This report is a contribution to the discussion of how community-based approaches can be a long-term sustainable solution to empty homes, regeneration and overcoming homelessness.

⁴<https://senedd.wales/laid%20documents/gen-ld12892/gen-ld12892%20-e.pdf>



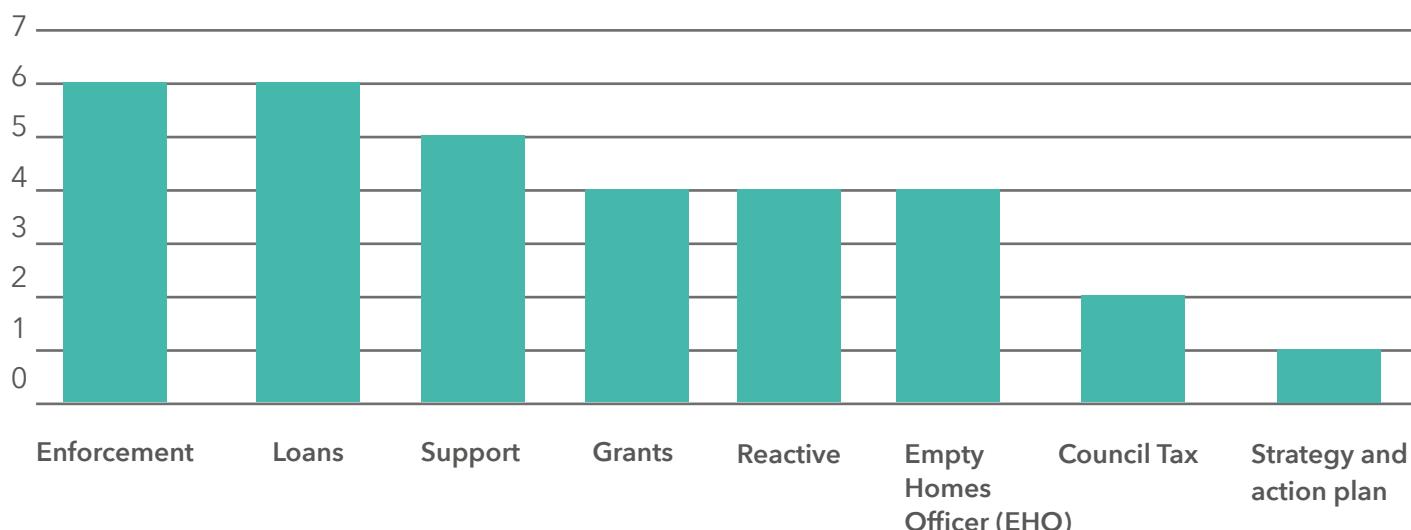
What did we do?

The research employed a mixed-methods approach involving semi-structured interviews with local authority and housing association representatives from across Wales. The research team felt it was important to capture the participants' experiences and so the responses were qualitative. In addition, secondary research of community-led housing practice examples was undertaken to support the primary research which is presented as case studies within the appendices of the full report.

The team from Cardiff Metropolitan University contacted seven local authorities across Wales to ask them their current approaches to addressing empty homes in their area. They asked a range of questions about current approaches and the opportunity for community led solutions.

Reflections on approaches to addressing empty homes

Chart 1: current approaches to address empty homes



The above chart illustrates the current approaches used by local authorities to address the issue of empty homes in their area. The most common responses were the use of enforcement and loans at 86%. The least common responses were council tax at 29% and only 14% of responses stated their current approach included a strategy and action plan.

73% of the local authorities interviewed in this research said Covid-19 is creating a further barrier to them addressing the issue of empty homes.



Supporting this quantification of the responses provided by local authorities to this question are the following quotes:

Enforcement:

"The options we have got going at the moment are council tax in terms of charges/charging orders and enforced sale"

Loans:

"We have got the Houses into Homes Loan and that is either for landlords or people that want to purchase empty homes to do them up and either live in or rent out"

Grants:

"Mainly reactive, very little proactive because the resource isn't there"

Council Tax:

"We recently increased council tax, so they get 6 months free, they get the next 6 months at 50% rate and then it automatically goes to a 200% rate - that has actually helped in some respects because when people ring me I can warn them that if you don't do this then it will go up year on year"

Targeted funding

There are a range of funding opportunities available from Welsh Government. Whilst the respondents acknowledged the funding they received from Welsh Government to enable them to provide the Houses into Homes loan and grants for owners to bring empty homes back into use, there was concern that there was not enough money available to address empty homes with funding running out within a few months. The loans and grants have strict conditions which must be met for funding to be accessed by owners of empty homes. The limited funding at a local

authority level make it difficult for them to be able to offer new initiatives in a bid to address empty homes in their area, however local authorities are seeking alternative funding streams to enable them to access further funding.

Enforcement

In Wales, local authorities have extensive powers that can be used when an empty property is believed to be unsafe or in very poor condition. Our research found inconsistencies amongst local authority responses regarding the use of enforcement.

Some respondents indicated that they actively use an **Enforced Sale** to reduce empty homes and found the process is usually quicker and simpler than other enforcement powers. **Empty Dwelling Management Orders (EDMO)** are highlighted as a potential drain on limited resources as they are labour intensive due to number of processes, processes they must follow. There were also inconsistencies between respondents about the use of the **Council Tax Premium** that local authorities can charge owners of empty homes up to 200% where properties have been left empty for over two years, without the owner actively trying to sell the property or refurbishing the property to either rent out or live in it.

The local authority respondents who did use the Council Tax Premium indicated that they have been in contact with those affected which has, in many cases, prompted action by the owners of the long-term empty homes. Some respondents acknowledged that they were not proactive in carry out enforcement which adds to the variation of local authority responses to addressing empty homes in their area.



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Strategic approaches

There is currently no national empty homes strategy and no statutory duty for local authorities to publish empty homes strategies, they are, however, required to publish housing strategies which may include a reference to empty homes.

Senior housing officers from all local authorities make up the All-Wales Private Sector Housing Expert Panel, which acts as an expert advisory group to local authorities, Welsh Government and other bodies.

Empty properties are identified using Council Tax records within a local geographical area, however, the data collected is limited in its accessibility to communicating with owners of empty properties and cannot interfere with a person's right to privacy. It does not permit disclosure to third parties so limits the usefulness of the information gathered.

Barriers

One issue highlighted by the Senedd ELGC (2019) is that tackling empty properties is not always considered holistically by local authorities, but rather left to one empty homes officer with little strategic priority. Statistics produced by the Senedd signify that some authorities fail to have a strategy of empty homes in place, however, appear to respond effectively to the short-term impact of empty properties. This could be issues like environmental health problems but means the wider issues and long-term solutions are dealt with less effectively.

Our research found that local authorities could benefit from additional staff members who have legal skills with training to improve confidence and assist staff in making decisions about how to manage empty properties, which would help speed up the local authority response to bringing homes back into use. The responses highlighted that their current processes and funding restrictions mean it is very labour intensive, often with little or no results.

Resources are limited and with the amount of empty homes increasing, local authorities are finding that they are working on a reactive basis which reduces the proactive interventions they can use.

The local authority responses in terms of addressing empty homes was dependent on the location of both the local authority and the empty homes in the area. Local authorities in rural areas indicated that where there were singular empty homes, which were not accessible as they were not on a bus route, and were not financially viable for refurbishment work, then they would be difficult to rent out or sell. This limits the options for both owners and the local authority as loans and grants are for refurbishment costs to bring empty homes back into use. The Welsh Government's current drive for city-centre regeneration provides opportunities for urban local authorities with both singular and clusters of empty homes to unlock their housing potential and bring empty homes back into use.

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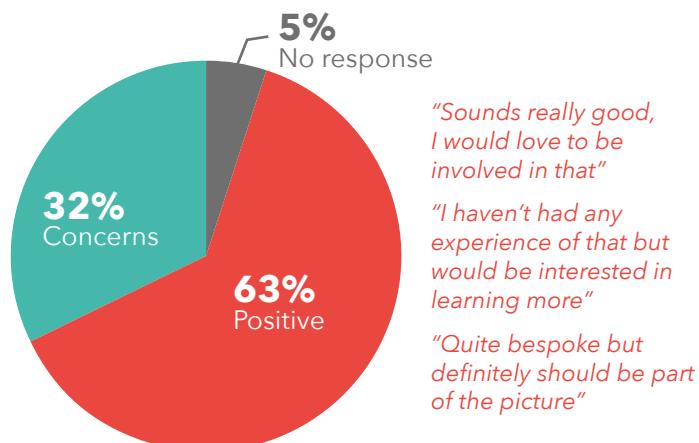
Accelerating the use of community-led approaches

86% of local authority respondents indicated that they had no experience of community-led housing solutions in addressing empty homes, however, the respondents who had experience had only just started to speak to the community to understand the issues and seek community-led housing solutions.

"We have mapped all the empty properties and what we plan to do in our action plan is where there are clusters of empty properties that we target those community areas and we go and see them and talk to them and we ask why the property is empty and how we can help"

Respondents were keen to understand more about how community-led housing solutions could potentially help in addressing the issue of empty homes and would support these solutions if they were approached. Of those that did have experience of community-led housing solutions, 63% felt this could be an effective solution to addressing empty homes.

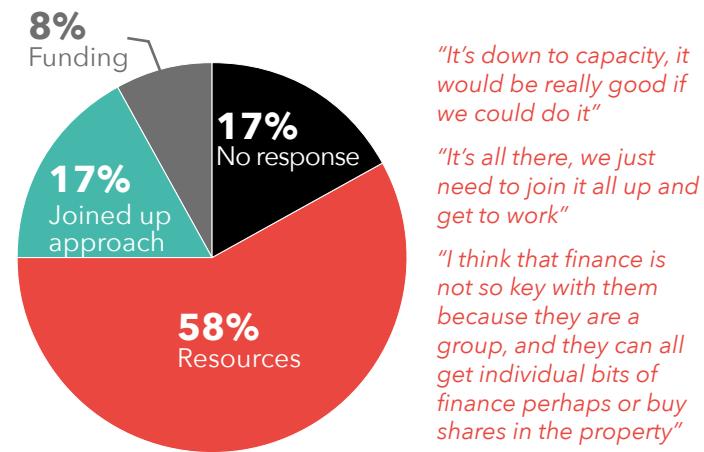
Chart 6: Effectiveness of Community-led Housing Solutions



The majority of respondents felt the best way to create opportunities for additional community-led housing solutions was additional resources.

17% of respondents felt a joined-up approach is required and 8% suggested funding. 17% of participants did not answer this question.

Chart 7: Support for the creation of Community-led Housing Solutions



Ensuring there was a joined-up approach within the local authority was a way of creating opportunities for additional community-led housing solutions.



Conclusion

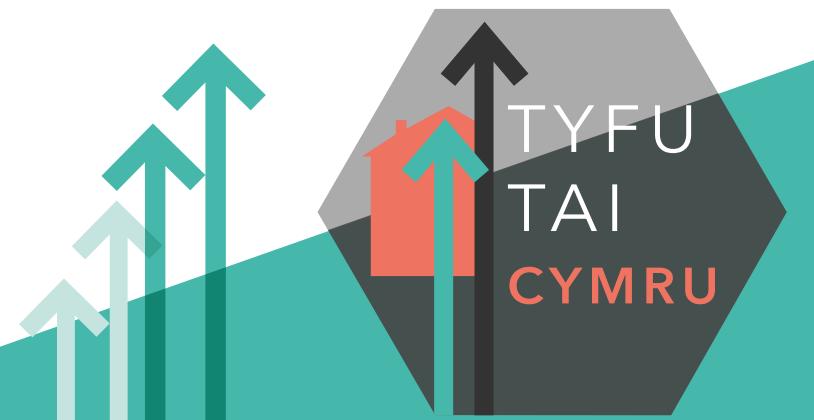
Despite the role that community-led housing solutions could play in reducing empty homes, the data shows only 14 percent of local authorities are experienced in using this approach. Drawing from best practice, there is a requirement for full commitment from everyone involved when implementing community-led housing solutions; capacity within teams is noted as another key barrier that local authorities face when aiming to meet their empty homes initiatives. Without sufficient staff and in-house teams, there are less opportunities available to reduce the number of empty homes in Wales. When successful, wider community-led approaches to bringing empty properties back into use could offer an array of benefits and as described by Senedd (2019) can:

"help local authorities to maximise their contribution to the Wellbeing of Future Generations Act through creating additional social and economic value. In addition to creating cohesive communities, co-operative and community-led housing schemes can also contribute to building a more prosperous Wales through providing training opportunities".

The COVID-19 pandemic gives us the opportunity to look for new ways to fix old problems and this report is a contribution to how we re-purpose empty properties as homes for now and the future.

Recommendations

- Welsh Government to place an emphasis on community-led approaches as a strand within its forthcoming National Empty Homes Action Plan, detailing the resources available to help grow the approach.
- Local authorities to publish their empty homes strategy detailing activities aimed at increasing use of community-led approaches
- Welsh Government to commission and roll-out training available to all staff focusing on empty homes back into use
- Welsh Government to host a seminar each year focusing on sharing the learning from projects that have used community-led approaches to bring empty homes back into use
- Local authorities to develop a common framework for reviewing and improving how opportunities for communities to take action in partnership to address empty homes are communicated locally



Case study of a community-led housing solution

"We were looking at how we could regenerate one of our largest estates... where we had a block of flats we worked with (the local authority) to look at different options for that block. It was completely derelict and had a huge amount of anti-social behaviour"

"We wanted to try to find a way for people to take ownership of the properties, care about the properties, and want to live there. We were also looking at ways where we could try and encourage people into employment in the area, so that is where the idea came from for a cooperative"

"We funded it through low-cost loans through the council so there was a really good bit of partnership work there"

"We completely refurbished the block of 12 properties to a really nice quality; they had new kitchens and bathrooms and were completely gutted. All of the communal areas were done too and they are a really high standard of properties now"

"Initially we struggled to let them because of the reputation of the previous properties and because of the co-operative solution. People were not aware of it and did not know what it was"

"We offered a lot of training and support"

"It's a fantastic project and we are four years in now to being a fully mutual co-operative. We still support them through a management agreement with housing management and rent collection but they do a large amount of the work themselves like allocation and rent setting"

"The (local authority), were the enablers because they gave us a really low-cost long-term loan which is then paid back through the rent"

"The co-operative pay sort of a lease agreement which covers the cost of the loan, so for us it was financially very attractive as a housing association because we are not getting any profit from the rent it all goes back into the co-operative, but we were able to do this work to a block of our flats and make them a lot more attractive and add huge social value to the community"

"We have had people who have lost their job quite suddenly due to redundancy or the nature of the work they do around zero-hour contracts and the co-operative has been able to work with them to ensure they can maintain their property and stay in their property"

"What we find from a housing management perspective is that it's a real high performing model so we have like 1-day void turnover because the tenants let the properties themselves"

"We have incredibly low repair cost because tenants take a lot of responsibility doing things themselves and really looking after the properties as well"

"We have very very low void costs then when it comes to the turnover of properties as they are always left in a good quality state. They haven't had a rent increase since they began so for the last 4 years their rent has stayed the same because they've managed their business really well"

"It is about having the right properties in the right area"

"They could say tomorrow we are not going to work with (the housing association) anymore we are going to find a separate management agent and that would absolutely fine. They are at the stage of their journey where they would be capable of doing that as well"





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Cymru

Meet the researchers:



Amy McMurray



Anthony Morgans



Emma Parcell

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