# RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL MUNICIPAL YEAR 2015-2016

HEALTH & WELLBEING SCRUTINY COMMITTEE

Agenda Item No. 6

REPORT OF THE DIRECTOR OF LEGAL & DEMOCRATIC SERVICES

REPORT OF THE SCRUTINY WORKING GROUP – 'EMPTY PROPERTIES'

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#### 1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to make Members aware of the findings and recommendations of the Environmental Services Scrutiny Working Group, who conducted a scrutiny review into empty properties in Rhondda Cynon Taf.
- 1.2 In the past the findings of the Scrutiny Working Group would have been reported to the Environmental Services Scrutiny Committee, however, the new scrutiny framework requires that Members of the Health & Wellbeing Scrutiny Committee are asked to consider the Working Group's report.

#### 2. **RECOMMENDATIONS**

- 2.1 To request that the Executive acts upon the following recommendations of the working groups as follows:
  - a) The Council should develop a strategic vision for the future shape and identity of communities characterised by low housing demand and high concentrations of empty properties to determine how the Council can most effectively contribute to their future sustainability. This vision should consider the proactive re-shaping of these communities and action to build on their unique identities and assets.
  - b) That the Council revises the 2013 Cwm Taf Empty Homes Strategy to reflect the findings of this review, and in particular to make appropriate reference to the importance of using enforcement tools where appropriate, and the viability of innovative, new models based on those executed successfully in other local authorities such as Chimney Pot Park in Salford.
  - c) That the Council examines the funding streams at its disposal to tackle empty properties and considers every opportunity to generate private sector funding and develop private sector partnerships with a view to

increasing financial resources to tackle the issue of empty properties within RCT.

- d) That the Service Director, Public Health & Protection is required to complete a review which links to the recommendation taken forward by the HMO Scrutiny Working Group in 2013 to consider the introduction of selective licensing schemes in defined wards that are experiencing high numbers of empty properties
- e) That the Service Director, Public Health & Protection is required to develop an engagement strategy to strengthen the relationship between the Council, the private rented sector and other stakeholders such as Housing Associations to ensure all parties collaborate effectively to bring back into use empty homes.
- f) That the profile of the Council's Empty Property Officer is raised and their work is further promoted amongst key partners and Council departments involved in tackling the issue of empty properties in RCT.
- g) That a targeted, time limited media campaign with effective branding is undertaken to highlight the issue of empty properties amongst key stakeholders, empty property home owners and the residents of RCT.
- h) That the Council does everything at its disposal to ensure that advice and information aimed at bringing back empty properties into use is easily and readily available to all via the Council website.
- i) That the Council reviews the current arrangements for council tax discounts allowed for empty properties and consideration is given to changing the level of discount (currently 50%) to 25% or less applicable to those properties falling within Class C of the prescribed Classes of Dwellings Order in order to raise the additional revenue (to be ringfenced for housing issues including empty properties).

#### 3. BACKGROUND

- 3.1 At its meeting held on 8<sup>th</sup> September 2014 the Environmental Services Scrutiny Committee agreed to establish a working group to consider the issue of long term empty properties in Rhondda Cynon Taf.
- 3.2 Members are asked to consider the report of the working group, which is attached as Appendix A and subject to agreement, this report will be passed to the Executive for consideration.

#### **LOCAL GOVERNMENT ACT 1972**

#### as amended by

# LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL HEALTH AND WELLBEING SCRUTINY COMMITTEE LIST OF BACKGROUND PAPERS

2 <sup>nd</sup> September 2015
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#### REPORT OF THE DIRECTOR OF LEGAL AND DEMOCRATIC SERVICES

Item: Report of the Scrutiny Working Group - 'Empty Properties.

(Officer to Contact: Julia Nicholls, Senior Democratic Services Officer – Telephone No. 01443 424098)

# RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

# ENVIRONMENTAL SERVICES SCRUTINY COMMITTEE

# REPORT OF THE SCRUTINY WORKING GROUP

# A REVIEW OF EMPTY PROPERTIES WITHIN THE PRIVATE SECTOR IN RCT

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#### **Foreword**

In Rhondda Cynon Taf we have seen a steady increase in the number of empty properties over the last 3 years and as at April 2014 there were 3,375 empty homes across the County Borough. Whilst it is recognised that all wards within the County Borough have empty properties higher percentages exist in the northern part of Rhondda Cynon Taf. To tackle the blight of empty properties in these areas in the long term requires investment in economic regeneration and improved communications to increase housing demand and create sustainable vibrant communities. In the shorter term bringing back empty homes into use continues to be a key strategic priority for the Council in order to improve the living standards for its citizens and the communities in which they live.

We have learned from our review that high levels of empty properties can leave our citizens feeling disillusioned and disenchanted with maintenance costs, utilities charges, lost rent, council tax bills and reduced value if the property is deteriorating or in an area where house prices are falling. Our communities also suffer and are prone to increased anti social behaviour, graffiti and vandalism. With the high costs of empty properties it makes real sense for the Council to prioritise this issue and look at effective and innovative ways of bringing these properties back into use and restore them into good quality, affordable housing for our citizens.

During the review the working group examined the emerging issues which contribute to the high numbers of empty properties to fully understand the challenges and difficulties in returning them to use and where best to target the work. The working group identified a range of existing tools and products at the Council's disposal to tackle empty homes and it became clear that some targeted, innovative and hard work has been undertaken in recent years by the Council to address the issue. However, more needs to be done to remedy the situation and this review was fundamental in further examining how the Council can mitigate the problem of long term empty properties, particularly in those areas with a high concentration of empty homes.

Throughout the review the working group had the opportunity to work alongside many officers of the Council and other stakeholders. Without their constructive comments and advice we would not have been as well informed and in a position to make the nine recommendations to the Executive. I hope the recommendations will serve to significantly increase the numbers of empty homes brought back into use.

**County Borough Councillor G R Davies Chairman of the former Environmental Services Scrutiny Committee** 

#### **SECTION 1: TERMS OF REFERENCE & METHODOLOGY**

#### **Background**

The former Environmental Services Scrutiny Committee had regularly expressed concern about the number of empty properties across the County Borough. During the meeting held on the 8<sup>th</sup> September 2014 Committee was informed about the nature of the empty property issue within Rhondda Cynon Taf and the measures available to the Council to reduce the impact of long term vacant properties on communities and bring them back into occupation. Members expressed concern at the increasing numbers of empty properties in RCT by April 2014 when there were approximately 3,375 properties that had been empty for 6 months or longer, an increase of 9.5% on the previous year. The increase was attributable to transitional empties that owners were unable to sell at that time.

Following the presentation Members resolved that a working group be set up to look at the matter in more detail and to explore the issues highlighted in the report concerning empty properties across the County Borough. The focus of the working group would be to not only recognise the current work of the Council in tackling the issue but to consider the external factors that can influence the numbers of empty properties and the extent to which these could be addressed. Throughout this review the working group witnessed good practice across the Council in terms of the work that has been carried out to date to overcome the issue of long-term empty properties. Members were keen to further investigate the possible mitigation of the issue so as to reduce the blight on communities therefore it was hoped that the enquiry carried out by the working group would advise the Cabinet on future policy matters arising from the report.

The working group agreed that it would consider the issue of empty properties in the private sector to include residential and non residential properties only which would narrow the work of the review and in particular focus on those non transitional, long term empty properties which can become problematic.

At its inaugural meeting on the 1<sup>st</sup> December 2014 the Working Group agreed the following Terms of Reference and scope of the review:-

#### **Terms of Reference**

Members agreed the following Terms of Reference:

#### That the Working Group consider:-

- The Strategic Approach taken to understand the issue of long term vacant properties in the private sector, to include residential and non residential properties.
- The economic factors that contribute to the existence of areas of low housing demand

- Current policy and practice within Rhondda Cynon Taf in respect of empty properties and the options available to mitigate the impact of long term vacant properties and to facilitate their return to use.
- The extent to which the options and approaches available are deployed currently and their relative effectiveness.
- The emerging issues concerning empty properties, with particular reference to the role of private property owners, challenging housing market and areas of low demand across the County Borough and the impact of welfare Reform.
- Making appropriate recommendations.

#### How will this be done:-

- Review the current position in relation to Empty Properties within the County Borough – Strategic priority within the Single Integrated Plan for the Council and its partners
- Understanding the Financial Incentives available to the Authority, property owners and businesses.
- Understand the economic, transport and regeneration policies that influence the viability of the housing market in some areas of the County.
- Understanding the Enforcement Powers available to the Authority and the policies and practices that apply to their current use.
- Consider the activity and performance information related to the various approaches available and review their relative effectiveness.
- Consideration of the emerging issues which may be of impact with particular reference to the role of private property owners, challenging housing market and areas of low demand across the County Borough and the impact of welfare Reform.
- Consider other 'Good Practice' schemes / approaches within other Local Authorities

#### Stakeholders:-

#### Council Officers:-

Service Director Public Health & Protection
Environmental Protection Manager
Environmental Health Officer (Empty Homes)
Service Director Highways & Streetcare
Revenues Manager, Finance
Housing Grants Manager
Funding & Implementation Manager for Regeneration & Planning

Mr Jonathan Adams, Architect & Contributor to the BBC Programme 'How Green is My Valley – A Future for the Valleys'

#### Methodology:-

Members received the following information:-

- Key Council Policy objectives, proposals and initiatives
- Cwm Taf Empty Homes Strategy 2013
- Single Integrated Plan "Delivering Change"
- Cardiff Capital Region Powering the Welsh Economy
- Access Denied Transport Poverty in Wales (Sustrans)
- Council Research/Presentations
  - 'Empty Property Officer's Perspective'
  - 'Council Tax Context'
  - 'Private Sector Housing Renewal Policy'
  - 'Costs of Enforcement Action on Empty Properties'

#### Visits:-

Members of the working group undertook site visits to areas across the County Borough including Maerdy and Penrhiwceiber, in order to understand first hand the scale and impact of the empty property issue within communities in RCT. The Working Group was also keen to balance this view by visiting some good examples of properties which have been brought back into use successfully with the use of appropriate funding. The site visits took place on the 18<sup>th</sup> May 2015

#### **Membership of the Working Group**

The Working Group consisted of the following Members:-

County Borough Councillors:-

Geraint R Davies (Chairman)
Steve Bradwick (Vice Chairman)
(Mrs) Jill Bonetto
Steve Carter
Jeffrey Elliott
(Mrs) Sue Pickering
(Mrs) Aufron Roberts
Graham Smith
Maureen Weaver

The Working Group's thanks are conveyed to representatives from Rhondda Cynon Taf Council and Partner Organisations for providing their valuable time and guidance throughout this review.

#### **SECTION 2: NATIONAL CONTEXT**

The term 'Empty Property' refers to a property which has been unoccupied for a period of 6 months or longer as at the 1<sup>st</sup> April and is defined by the national strategic performance indicator NSI PSR/004 which councils have a legal duty to collect and report. The full guidance for this measure can be found at Appendix 1. Therefore the Local Authority can consider any property as an 'Empty Property' if it has been vacant for 6 months or longer excluding the following:-

- A second or holiday home
- A newly completed dwelling that is awaiting occupation
- An existing dwelling that is being converted or modernised
- A dwelling that is in use but for non-residential purposes

Latest figures suggest there are 24,853 private dwellings in Wales that have been vacant for more than 6 months at the 1st April, many of which could be brought back into use to provide good quality homes for those who need them. Properties which are left empty for long periods of time can undoubtedly have a negative impact upon the appearance and character of the community in which they sit. The empty properties can be a wasted resource and the longer they remain empty the more likely they are to become the target of vandals and squatters which can affect the quality of life of neighbours and the vibrancy of the area can suffer, the value of the property in an area can fall and there could be an increase in the number of complaints.

In 2013-14 only 2,293 private sector dwellings that had been vacant for 6 months at the 1<sup>st</sup> April, were returned to occupation across Wales through direct action by the local authority which highlights that progress can be slow and frustrating for those neighbouring residents whose property can be directly affected by the empty homes and the surrounding area. According to Shelter Cymru living next to an empty property can devalue a home by 18% and <sup>1</sup>studies have shown that the average cost of returning empty homes to a habitable state is between £6,000 and £12,000 per property. Around 2,000 homes could be brought back into use for £20 million.

Welsh Government supports and encourages bringing back empty properties into use and the 'Houses to Homes' recyclable loans fund which was introduced in 2012 is evidence of this. The initiative is funded by £20m to tackle empty homes and provides owners with loans to improve their property to sell or rent. It is a scheme which can be used alongside existing powers available to all Local Authorities. Recently the Tackling Poverty Minister, Lesley Griffiths, launched the next phase of the scheme with a further £20m of Welsh Government funding to secure the initiative.

Welsh Government introduced The Housing (Wales) Act 2014 to address and improve 'the supply, quality and standards of housing in Wales' and one of the measures introduced to assist Local Authorities to tackle their respective empty homes problems is the discretion for them to levy up to 100% of the standard rate of

<sup>&</sup>lt;sup>1</sup> Shelter Cymru - <a href="http://sheltercymru.org.uk/what-we-do/campaigns/empty-homes/">http://sheltercymru.org.uk/what-we-do/campaigns/empty-homes/</a>

Council Tax on long-term empty homes (empty for 12 months) in their areas. The revenue from the levy can be used to address the issue of long term empty properties in their respective Local Authorities. Welsh Ministers have decided that from the 1<sup>st</sup> April 2017 Local Authorities will have the discretion to charge the premium for properties that have been empty since the 1<sup>st</sup> April 2016.

Local Authorities will have the ability to adopt a stepped approach to applying the levy with increases taking place over time the longer a property has been empty. Earlier this year the Welsh Government produced a draft consultation document entitled 'Exemptions to the Council Tax Premium on Long-Term Empty Homes in Wales' which sought the views of a variety of organisations, Local Authorities and representative bodies in respect of the existing Council Tax exemptions and discounts and regarding the practicalities of the implementation of the premium.

In the autumn 2015 Welsh Government will be introducing new legislation for private sector landlords and agents in an effort to further improve standards and raise awareness of landlords and tenants of their rights and responsibilities. This legislation will be implemented by the regime branded 'Rent Smart Wales' and will require all landlords to register with the licensing authority and thereafter all managing landlords and agents to obtain a licence. This legislation will encourage good working practices for the private rented sector which plays an increasingly important part in producing good, affordable housing.

Evidently there are a number of national programmes and policies in place to complement the work of the Local Authorities to address the issue of long-term empty properties across Wales and return them to sustainable use. It has been recognised that bringing such properties back into use, improving the appearance of land and buildings removes the catalyst that can be a contributor to many socio economic issues within some of our communities. Encouraging re-occupation of more long term vacant properties can restore the vitality and vibrancy to an area, making it more attractive to users.

#### 1. Types of Empty Properties

There are two types of empty properties:-

Transitional Vacants – These become vacant over a short period of time while being renovated, offered for sale or renting. This type of property is necessary within the housing market and are generally non problematic

Non-Transitional Vacants (problematic and low demand vacancies) –These are not actively involved in the housing market i.e are not lived in, offered for sale or for rent. Generally these properties are empty for a long period of time and can become problematic. They attract anti social behaviour and can be a source of nuisance to the immediate community.

There are generally a number of reasons why properties become empty in the first place and these include:-

- Dilapidation Where buildings have fallen into disrepair because the cost of bringing the property back into use may be prohibitive for the owner
- Abandonment –Unresolved ownership following the death of an owner, bankruptcy or taken into care
- Repossession
- Poor Investment The property may have been purchased by auction without sufficient prior local knowledge of the housing market or solely for speculative investment
- Poor Market Factors low demand, housing market collapse or negative equity.

Empty properties can be identified in a number of ways such as:-

- Council Tax information;
- Empty Property Officers, other Council Officers, Elected Members;
- Neighbours and general public;
- Electoral Register;
- Historical Information on files and databases;
- Visiting the property

#### 2. The Benefits of Bringing Empty Properties Back into Use

There are a number of reasons why action needs to be taken to bring empty properties back into use:-

- Reduce the financial impact on the local area in terms of lost revenue through the collection of council tax
- Have a positive impact upon the community and increase the value of neighbouring properties
- Bring about a more diverse local housing market and reduce the pressure on the existing housing stock
- Help make the community feel safe and secure and reduce anti social behaviour
- Provide local opportunities for the construction trade

Bringing empty properties back into use is to everyone's advantage. The financial burden is reduced for the home owner whose property returns to being a valuable asset once again and the worry and pressure is removed from the community who fear the potential problems that come with neglected, rundown properties.

#### **SECTION 3: EMPTY PROPERTIES WITHIN RCT**

Rhondda Cynon Taf is the third most deprived local authority in Wales with an ageing population who have increasing levels of illness and disability. The housing stock is predominantly old stone built houses which make up small terrace houses with limited space and the local topography creates difficulties with steep steps, high retaining walls and access problems.

As at April 2014 there were 3,375 empty homes in Rhondda Cynon Taf that had been empty for 6 months or longer which represents an increase of 9.5% on the previous year. The increase is attributable largely to the high number of transitional empties and the pressure of a poor property market. In order to understand why properties are left empty within the local authority, research was undertaken in 2013-2014 by the local authority which showed that 37.5% of properties required extensive refurbishment to make them suitable for habitation but 16% of the owners responding to the survey said they could not afford to carry out the work. A significant number of owners also made it known that they would like to sell their house but had a mortgage which had left them in negative equity and prevented them from selling their homes.

Throughout the review the working group was mindful that the larger concentrations of empty properties were located within the north of the local authority. Whilst it was recognised that all wards within the County Borough have empty properties it was evident that higher numbers exist in the north of RCT and in particular areas such as Tylorstown, Abercynon, Penrhiwceiber, Maerdy and Aberaman. The map at Appendix 2 emphasises the correlation between those areas of low housing demand and the higher figures for long term empty properties situated in the north of the County Borough compared to fewer numbers in the south of the County Borough. A further breakdown of private empty properties can be seen by ward at Appendix 3 which demonstrates the demographic trend in empty properties across the County Borough and further emphasises that those locations with high numbers of empty properties are situated in areas of low housing demand, areas which have a number of challenges when trying to bring back empty properties.

Data relating to the increase in the numbers of empty properties within RCT since 2012 is summarised in Appendix 4. The data suggests that although there has been a steady increase in the numbers of empty properties across the County Borough over the last two years, performance figures show there has been an improvement relating to the numbers of empty properties returned to use by the local authority. During the period 2013-14 94 empty private properties were returned to use through enforcement action representing 3.05% of the total empty properties that were empty compared to only 36 properties brought back in 2011-12. However, although this number exceeded the target set by the Council, because RCT has one of the highest numbers of empty properties across Wales, the performance represents one of the lowest percentage rates in Wales. Evidence clearly suggests that there is a need for the Local Authority to continue to focus on the issue of empty properties and to further increase those figures for the numbers of properties returned to use.

#### 1. The Council Role in Tackling Empty Properties

Returning long term empty properties to use remains a key strategic priority for the Council and its partners as set out in the Single Integrated Plan 'Delivering Change' (2013) and the Local Authority undertakes a range of activities aimed at returning properties to occupation. In 2013 the Local Authority worked with Merthyr Tydfil County Borough Council to produce a Regional, Cwm Taf Empty Property Strategy (2013). The purpose of the Cwm Taf strategy is to 'identify the aims, objectives and actions to tackle the problem of empty properties in the Cwm Taf region'. The need to have a joint strategy was recognised as a result of the high numbers of empty properties in both Rhondda Cynon Taf and Merthyr Tydfil County Borough Council with the view that bringing empty homes back into use offers a sustainable way of increasing housing supply. The Housing Needs Assessment for RCT (2012) identified that almost 167 new properties are required annually to meet emerging housing need and members noted that with the numbers of long term voids in established communities of RCT, some of this need could be met by existing vacant properties.

#### 2. Dedicated Empty Property Officer

In 2012 the Empty Property Officer post was created within the Public Health & Protection Department to ensure a dedicated resource was available to liaise directly with private landlords, respond to complaints and provide advice and support to owners of empty properties. The dedicated Empty Property Officer offers free, expert advice and support to owners of empty properties to help bring them back into use. The role also oversees that robust enforcement action is taken where appropriate and where problem properties have been identified. Having the position available has impacted positively on the numbers of empty properties within RCT which have returned to occupation and on the numbers of empty property owners who have contacted the service to enquire about assistance, in particular the available financial incentives. The data set out at Appendix 5 clearly demonstrates the increasing number of empty properties which have been brought back into use through direct action by the Local Authority and specifically the number using the empty property officer as the central contact point for information and support and also a signpost for queries to other relevant organisations. The working group acknowledged that this pivotal role acts as a vital link between home owners and landlords of empty properties and the information and support they need.

#### 3. Support & Financial Incentives

As referred to earlier the 'Houses into Homes' scheme was introduced by Welsh Government in 2012 in order to help tackle the problem of empty properties and £20 million was allocated by Welsh Government to support the scheme. Owners are able to borrow up to £25,000 per property (maximum £150,000 per applicant) to renovate the empty property for sale or for rent. To date:-

- The Council has been awarded £1.5 million (following a further successful claim evidencing that at least 20/30 people would be making a claim),
- £850,000 has been loaned to January 2015

- 28 propertied have been brought back into use (properties situated across the whole
  of the County Borough with mostly apply to let) (January 2015)
- 43 new units have been created (January 2015)
- On the 29<sup>th</sup> January 2015 the Communities and Tackling Poverty Minister, Lesley Griffiths visited the flagship RCT Council project, the Old Town Hall in Aberdare to confirm a further £20 million of Welsh Government funding for Wales towards the 'Houses into Homes' scheme. The Old Town Hall represents a prime example of a building which has been regenerated into affordable homes with the use of money from the scheme.

There are also a number of grants available through the Council's Private Sector Housing Renewal Policy 2014 to bring long term empty property back into use:

- Empty property grants are available Borough wide towards the cost of refurbishment of empty properties to restore them to a habitable condition for prospective owner occupiers. Up to £20,000 can be awarded and only in those areas where there is housing need or where there is a long term problematic vacant property. These are available for the owner-occupier and for the private rented sector
- Grants are available for the conversion or refurbishment of flats over shops and may be awarded to create or restore accommodation over shops in town centre locations on condition that the Council has the right to nominate tenants for the accommodation from the housing waiting list.

As part of the Heads of the Valleys initiative, RCT was successful in obtaining funding to implement a scheme called 'Homestep Plus' where vacant properties were purchased, refurbished and offered for sale through a low cost home ownership scheme. When the money is repaid, the income will be recycled to buy and refurbish more properties, although the funding for this scheme has now stopped. Currently, under the 'Vibrant & Viable Places' regeneration initiative, funding is available to deliver 'Homestep Plus' in Pontypridd and also to create new homes in vacant space above shops, providing a mix of social and affordable accommodation.

Information and support available to owners of empty properties has been captured in a comprehensive Empty Property Handbook which is available on the Council website. This handbook is supported by other targeted information such as specific mailings to landlords, publicity of activities via the media and the development of a dedicated empty homes web page, in an effort to reach out to those home owners who need to change the way they view the value of their home and to consider other ways of moving forward and bringing their property back into use. The Working Group noted that further work is planned to develop a more proactive approach to pairing up empty sellers and prospective buyers via the website to ensure that targets are further improved.

#### 4. Legislative Powers & Enforcement Tools

Whilst the majority of empty homes are in reasonable condition and do not represent a blight on the community, when houses do fall into disrepair and dilapidation they can quickly become targets for anti social behaviour such as fly tipping, graffiti and fly posting. Where possible the Local Authority does work directly with empty home owners on an informal approach to influence and encourage them to bring empty properties back into use and agree a solution; however an enforcement route may have to be followed if considered appropriate. Rhondda Cynon Taf Council, as with all other local authorities, has a wealth of legislative tools available to it to deal with problems caused by property condition, whether empty or not. Many of these legislative powers also give the Council the ability to act in default of the property owner and to recover the cost of the works. In some cases, this can result in the enforced sale of a property to recover the debt owed.

The working group were concerned that such tools can, on occasion, be resource intensive and costly especially where demolition or clearance powers are used. This is a particular concern at a time when the local authority is facing a reduction in its housing capital budget. The following case studies served to demonstrate that when appropriate, the legislative powers are an effective tool with which to benefit the residents and the wider community.

(Appendix 6 – Details Legislative Powers Available)

#### 5. Case Studies

- 1. A property in Trehafod Road, Trehafod had suffered extensive fire damage and was in such poor condition that it was detrimental to the area and to the neighbouring property. Following identification of a number of severe hazards at the property, the process of determining ownership of the property began but proved difficult as one of the registered owners was deceased. It was considered that demolition was the most appropriate course of action and therefore a Demolition Order was served on the owner of the property requiring the demolition to take place within a specific time period. The order required the site to be cleared and the walls of the two neighbouring properties shored up and weatherproofed. The Order was not compiled with and in January 2015 the Council executed the requirements of the Order in default and the property was demolished. The cost of the work is recoverable from the property owners and debt recovery action will take place. In the meantime, a charge has been placed on the land. The demolition of this building significantly improved the area and removed several housing hazards which were imposing on the direct neighbour.
- 2. The last Clearance Powers were used in Rhondda Cynon Taf in 2002 in Edward Street, Maerdy, where the majority of the street was identified as vacant due to fire damage and the houses were unsecured. A compulsory purchase order (CPO) was made in respect of the properties and compensation payments were awarded to eligible property owners.

The houses in Edwards Street were uninhabitable and the course of action taken by the local authority was considered as the most appropriate in order to assist in the wider regeneration of the area. Today the site has been completely re graded and the area has been landscaped to a high standard therefore providing the remaining residents with a safe and secure community.

The total cost to the Council of the CPO and demolition was in the region of £350,000-400,000 and no costs can be recovered.

The case studies serve to highlight that every empty property needs consideration on its own merit and there is no one solution when considering bringing back empty properties into use. Empty property work involves many Council departments and enforcement is an essential tool when the owners of empty properties fail to act quickly to mitigate a detrimental impact on the direct neighbours and eventually the wider community.

The working group were able to appreciate that despite the costs involved, particularly with the clearance work carried out in Maerdy, resident's homes become valued once again. The working group acknowledged that the costs associated with these types of enforcement actions can be very high however enforcement routes do play an important part in reducing potential risks to the neighbours and in ensuring the area is safe. Where there is no viable alternative and where the benefits to the community outweigh the financial costs, clearance action must continue to be a consideration by the Council.

#### 6. Council Tax

Council tax is levied against all 'chargeable dwellings' in the Valuation list and there exists a number of properties that are exempt from council tax within the council tax legislative framework. The types of exemptions that relate to empty properties are:-

**Class A** – properties in need of, or undergoing, or has undergone, structural repair or alteration. This exemption is limited to a maximum 12 month period **Class C** – properties that are vacant and unfurnished. This exemption is limited to a maximum 6 month period

Once these exemptions are exhausted and remain unoccupied a 50% council tax charge is applied by this local authority although this discount is at the Council's discretion.

The data within Appendix 7 provides a summary position for the County Borough in terms of types of empty properties which exist and the numbers relating to these specific empty properties over the last five years. With regards to those empty properties which have been empty for more than 6 months there has been an increase of 377 more empty properties since 2010. Appendix 8 also highlights the all Wales picture in relation to Class A dwellings (those under structural repair) and Class C dwellings (vacant and unfurnished for 6 months). In Rhondda Cynon Taf

the number in Class C dwellings has increased by 505 properties (34%) in the last five years which is a sizeable increase.

Also attached at Appendix 9 is a graph which demonstrates the increasing trend for Local Authorities to reduce the 50% discount to 0% which evidences the reduction in the number of long-term empty properties in those local authorities who refrain from allowing a discount. This comparable data assisted the working group to understand the potential impact on the numbers of empty properties within this Local Authority should the discount be amended as well as the additional revenue which could be levied as follows:-

- An additional £700K could be levied if the discount was reduced to 25%
- An additional £1.4m could be levied if the discount was reduced to 0%

Whilst the working group were concerned with the added pressure on resources of those local authorities who look to recover 100% of the revenue particularly considering that some owners of long term empty properties could live outside the respective local authorities they acknowledged the substantial additional revenue/surplus resources generated by the removal of the empty homes premium. The working group considered the loss of this discount would encourage empty home owners to bring properties back into use more quickly.

#### 7. Site Visits

As part of the review process and having received the information within the case studies, the working group agreed to undertake site visits to areas of the County Borough which had been subject to various regeneration initiatives aimed at bringing empty properties back into use. The working group were also keen to view these examples first hand therefore the site visits took place on Monday, 18<sup>th</sup> May 2015 at Edward Street in Maerdy, The Old Town Hall in Aberdare and Ty'r Felin and Park Street in Penrhiwceiber.

The working group commenced their site visits in Edward Street, Maerdy, the location of the last clearance site which was carried out in Rhondda-Cynon-Taf in 2002. Members of the working group were reminded of the process which led to 26 houses being demolished when the majority of the properties were identified as being vacant due to fire damage and therefore the houses were unsecured. Members viewed the location which has now been returned to woodland and viewed the remaining properties in Edward Street which still has a number of empty properties.

By contrast members of the working group visited the Old Town Hall in Aberdare which has been brought back into use successfully using a variety of funding sources including the 'Houses into Homes' loan scheme. Members viewed the cafe and one of the 6 flats to see how the building has been renovated and transformed into good quality homes, all of which are now fully occupied. The working group acknowledged that this is how a successful scheme can look with clever use of funding and vision of the owners.

The working group visited Ty'r Felin and Park Street in Penrhiwceiber which is another area within the County Borough which has a high number of empty properties. As with Edward Street in Maerdy, the area is a deprived area where there are few residents with access to a vehicle; therefore they are reliant upon local transport to access employment, services and amenities outside the community. The working group viewed the last block of houses; all empty except one property and the group discussed the options available to the council, clearance being one of them. The working group were informed that to demolish the properties would cost in the region of £200,000 and includes the costs to re grade the road and transform the land into an orchard or community allotments.

At each venue, members took the opportunity to talk to local residents about their own experiences such as the resident of Ty'r Felin, Penrhiwceiber, whose property, owned by Cynon Taf Housing Association had been renovated to a very high standard. Members noted the impact of the work on the resident in terms of their sense of pride and their wish to remain in the property and within their community.

#### **SECTION 4: KEY FINDINGS OF THE WORKING GROUP**

Although the investigation carried out by the working group was intended to focus on empty properties, it became apparent that the issue of empty homes could not be considered in isolation. A number of emerging issues such as the transport infrastructure, commuting journeys, access to schools, good quality employment and quality and type of housing available are all contributing factors as to why empty homes in some communities are not being considered as suitable and viable places to live. Specifically, the working group was mindful that many of these contextual factors significantly contribute to the growing numbers of empty properties in the north of the County Borough.

#### 1. Contributing Factors to Long-Term Empty Properties

Members of the working group were keen to examine the factors that contribute to the number of empty properties across the County Borough particularly within those communities in the north of the Valleys such as Tylorstown, Maerdy and Penrhiwceiber. It became apparent to the working group that these are areas with the worst concentration of housing problems poor stock condition, high levels of deprivation and anti social behaviour.

As referred to previously, RCT is the third most deprived Local Authority in Wales and the former coalfield areas of South Wales have often been associated with high levels of social and economic deprivation. According to a recent report by Sheffield Hallam University entitled 'The State of the Coalfields', the former coalfields sites in South Wales are lagging behind national and regional averages in terms of regeneration indicators. This follows in the wake of the miners' strike of 1984/5 when coal mining came to an end in these areas and the progress made in generating new industry was hampered by the recession in 2008. There has continued to be substantial numbers of unemployment in these areas and the report points to the fact that 'in South Wales there are just 41 jobs for every 100 residents' and describes the lack of job opportunities where the coalfield workforce is more likely to lack higher grade qualifications. The added impact of the recession has continued to take its toll on South Wales, particularly in the Valleys. According to the report 'The Impact of Welfare Reform on the Valleys' produced by the Centre for Regional Economic & Social Research by Sheffield Hallam, 'Overall when the reforms have come into full effect it is estimated that they will take more than £1bn a year out of the Welsh economy'.

The working group examined the data by Lower Super Output area, and the range of most to least deprived areas across Wales based on factors such as health, income and access to services (as Appendix 10 depicts). The working group learned that two of the lower super output areas featured in the ten most deprived areas in Wales i.e. Penrhiwceiber is ranked in 5th and Tylorstown is ranked 10<sup>th</sup> were also the areas with the highest concentrations of empty homes in RCT.

Research tells us that there exists a correlation between high levels of deprivation and high percentage of empty properties. In those same communities in the north of the County Borough there is also higher proportion of private rented properties. Consideration was given to the number of regeneration initiatives which have been in

place to tackle the root cause of economic inactivity such as the Welsh Government Regeneration Framework 'Vibrant & Viable Places' which offers local authorities the opportunity to share more than £100m earmarked for regeneration schemes set out to reverse the process of decline and increase public confidence, however the working group were mindful that there now exists a lack of external capital investment opportunities for Council to access to deliver initiatives.

The working group also considered that poor transportation links may also be a contributing factor to the high numbers of empty properties within the north of the valleys in terms of residents not being able to access services, employment and facilities outside their communities. This, together with the high percentage of households without a vehicle particularly in the north of the County Borough can be a significant factor in the choice residents make when deciding where to live:-

- 27.1% of households in RCT have no car/van
- 41.6% of households in Maerdy have no car/van
- 35% of households in Aberaman South have no car/van
- 16.3% of households in Taffs Well have no car/van
- 12.1% of households in Llantrisant have no car/van

When considering that 16.2% of all commuting journeys are 20km or greater the impact of transport poverty on people's lives is real and has an enormous impact on residents finding and sustaining employment. The working group valued the work of the South East Wales Valleys Local Transport Plan, the development of the South Wales Metro and future Valleys Lines electrification which will make it easier for residents to commute and will contribute to a more effective, integrated public transport network. However, the working group, were mindful that a systematic approach is required to prioritise the regeneration to those areas which will involve housing, planning, transport and economic functions. Members believe that a strategic vision for the future shape and identity of some of these communities should be developed to determine how the Council can most effectively contribute to their future sustainability. This vision may require the proactive re-shaping of these communities and action to build on their unique identities and assets.

#### 2. Can Empty Properties be a Viable Option for Homebuyers?

During the study it became increasingly evident to the working group that empty properties are a wasted resource and returning empty properties into homes should be a viable option to meet the emerging housing need. Indeed, it can be a cheaper option than the equivalent new build housing cost and more importantly regenerates the local communities and raises the confidence of the area.

The 2012 Local Housing Market Assessment in RCT suggested most people want to live in existing communities and the success of schemes like 'Homestep Plus' would support that view. Members considered the demand amongst young people and families for the new build properties which offer a larger, more modern living accommodation and the successful initiatives undertaken by Cynon Taf Housing Association in Ty'r Felin Street, Penrhiwceiber where two terraced houses have been merged into one accommodation to provide a more spacious living quarters. As

a result, the working group determined that RCT could apply some of the ideas from innovative schemes that have been undertaken in other local authorities. An example of this is Chimney Pot Park in Salford, a development that has looked to refurbish rather than replace existing housing stock by demolishing all but the house frontages and what has been delivered is essentially a new-build scheme behind the front walls of the old house. Ultimately it has produced modern, spacious living quarters whilst retaining the character of the old properties at an affordable cost to young people and families.

The working group considered that Chimney Pot Park and other similar initiatives such as Woodnook in Lancashire were successful in delivering good quality homes which would make up a viable, resourceful community, where people want to live. Members did however acknowledge the significant investment such schemes required, particularly from the private sector. The working group considered that the ideas behind the aforementioned schemes could be applied to those areas of the South Wales Valleys where there is a high concentration of empty properties through financial contributions from appropriate funding sources such as private developers or from the use of social housing funds delivered through Section 106 agreements. If the delivery of social housing via Section 106 planning agreements could be allocated off site and to those areas in need, this may provide a capital incentive to lever in the private finance necessary to put these projects into place.

The working group considered that the existing Cwm Taf 2013 Empty Property Strategy could investigate these transformational options which, as part of a wider vision for some communities, have the potential to turn areas with high percentages of empty homes into prosperous and attractive communities.

#### 3. Private Rented Sector & Partnership Working

Rhondda Cynon Taf has a high level of private rented housing, particularly in the north of the County Borough in those areas with relatively low housing demand and where there is a higher percentage of empty properties. Throughout this review members were mindful of the contribution the private rented sector can make in the way it helps to create a flexible housing market which offers residents, and in particular young people, choice. Therefore consideration was given to further developing private sector partnerships aimed at increasing financial resources to enable the delivery of additional housing. The working group noted that some work has already been carried out with the private rented sector in the form of the 'Social Lettings Agency' operated by a local housing association. The aim of the Agency is to make better use of the private rented sector and make it more readily available to those people who would not have previously considered it as a viable option and to support landlords in offering their accommodation to tenants with particular needs. The scheme which features in the Cwm Taf Empty Homes Strategy 2013 can also provide a Bond Guarantee Certificate in lieu of a financial bond which is normally required by landlords.

Rhondda Cynon Taf Council wants to support a thriving private rented sector, where houses are well managed, housing conditions are of a high standard and where there are fewer empty properties. Councils have the tools to improve the housing management in the private rented sector through initiatives such as selective

licensing schemes which can improve the management practices of landlords which will in turn improve the living conditions of those residents and the wider community. Poor housing management within the private rented sector can lead to failure of the local housing market which can cause other social and economic issues such as empty homes. By contrast, efficient, properly managed housing can lead to improved living conditions for tenants who want to live and remain in the area. With this in mind the working group considered that selective licensing could be a successful tool when targeted at specific problems in specific areas within the north of the Valleys and could be designated to those areas which satisfy a number of conditions such as being an area of low housing demand where this is a 'significant and persistent problem caused by anti social behaviour'. The working group considers that selective licensing should be used in conjunction with other targeted work and measures to tackle the problem of long term vacant properties.

#### 4. Private Sector Funding

The working group throughout its review considered that every opportunity should be taken to develop partnership working that will assist to address the issue of empty properties within RCT. Partnerships should not only be established with teams and services within the council but with private landlords and extend to private sector developers and investors.

The working group was advised that key to tackling empty properties was the issue of resources which had been a consistent message throughout the review. The working group was provided with a wealth of information relating to grants and loans available to those owners of empty properties and to the funding streams at the Council's disposal. Members however considered that with a lack of capital funding available to tackle the issue of empty properties and with competing priorities within the Council's Capital Programme, private sector resources, commercial investors and developers could be better targeted to deliver sustainable improvements and prioritise the regeneration to those areas in need. Members supported the idea that every opportunity should be taken where possible to generate private sector funding and develop private sector partnerships with the aim of increasing financial resources and targeting those resources to initiatives which will make the greatest contribution to reducing the numbers of empty properties within the Local Authority.

The loan funds available act as up front working capital for private landlords and these should be promoted actively. As a means of facilitating private investment in properties, the working group consider that the availability of these repayable loans should remain a key part of the strategy to deal with empty properties.

#### 5. Housing Associations

Although Rhondda Cynon Taf has developed partnerships with existing local Housing Associations, consideration was given by the working group to investigating other initiatives which involves these key partners in bringing empty properties back into use. Consideration was given to one such collaborative partnership (which has been used in other Local Authorities) whereby the Housing Association repays the council loan on behalf of the property owner in exchange for a long term lease on the property; the housing association retains the rental income to recover the cost of the

loan and any renovation costs, with the property returning to the owner at the end of the agreed lease. This initiative would work in favour of those tenants who prefer to deal with an established organisation rather than with a private landlord whilst lessening the financial burden to the property owner of bringing their empty property back into use.

Once again the working group considered that effective partnership working could deliver a number of ways with which to tackle the issue of empty properties within the County Borough whilst making a contribution to the successful regeneration of those areas of low housing demand.

#### 6. Staff Resources & Media Campaign

In view of the emerging issues considered by the working group and being mindful of the consistent message relating to the lack of resources with which to implement the initiatives and schemes to address the numbers of empty properties across the County Borough, the working group was concerned that the Council's dedicated Empty Property Officer was often working in isolation to tackle an ever growing number of empty properties across the County Borough. Although they considered that progress has been made in bringing empty properties back into use since the introduction of the dedicated role, the working group examined the staffing resource within the Council and considered that the profile of this crucial position needed to be elevated and promoted. With that in place a more developed approach to the way in which the Council provides advice, information and support to those private sector property owners looking to bring back into use their houses could be implemented. Similarly, the working group noted the information already in place to inform and advise residents and home owners looking to bring back into use their empty properties but considered that the issue of empty properties within Rhondda Cynon Taf needed to be given priority, to raise the profile of this important issue amongst empty property home owners, residents of Rhondda Cynon Taf, the Council and its partners. To do this effectively the working group considered that a suitably targeted campaign to raise the profile of the issue would help identify the problems which could be followed up by a systematic approach in dealing with the number of empty properties across the County Borough. Suitable advertising campaigns which had been undertaken in other Local Authorities were examined as was the UK Nation wide campaign which began in 2011 called the Great British Property Scandal. The working group considered that such a targeted, time limited campaign would considerably raise the profile of the issue within the Local Authority and develop a more cohesive approach to the work of bringing empty properties back into use.

#### CONCLUSION

The working group has acknowledged that there has been some progress made in bringing empty properties back into use in RCT over the last three years. Nonetheless, the scale of the problem in RCT is challenging and some clear themes emerged from the work of the group which need to be addressed in a co-ordinated and planned way in order to tackle the high percentage of empty properties that still remain particularly in the northern part of the County Borough.

It was considered that a strategic vision for the future shape and identity of some of these areas of low housing demand should be developed to ensure they have a viable, sustainable future. This vision should be developed through active engagement with key agencies and organisations, property owners and the communities as a whole.

Whilst there are a number of Government led initiatives aimed at addressing the problem, local authorities are encouraged to work alongside private sector landlords, Housing Associations, community and voluntary groups and this activity requires effective communication and partnership working. It was considered that attracting private sector funding would be crucial in addressing the issues, especially in this current economic climate where Council funding streams are being significantly reduced. The working group were keen to follow the examples of housing schemes in other parts of the UK which have brought about successful redevelopment of existing housing stock through innovative and creative thinking. These approaches could revitalise areas within Rhondda Cynon Taf and raise the confidence of those communities with unacceptable high percentages of empty properties. The ability of the Council to utilise its own capital as a lever for larger scale investment in innovative schemes should be considered

The development of a more targeted and cohesive approach to returning empty properties to use is required in RCT by means of an effective and appropriate media campaign to significantly raise the profile of the problem. Likewise it was considered that the development of improved advice and information relating to the resources available to empty property owners and members of the public should be undertaken as well as taking the opportunity to build on the success of the existing role of the Empty Property Officer.

The working group has identified a total of 9 recommendations for the Executive to consider and where necessary implement. The working group believe that these recommendations will further strengthen the services available to bring back into use empty properties.

#### **RECOMMENDATIONS**

- The Council should develop a strategic vision for the future shape and identity
  of communities characterised by low housing demand and high
  concentrations of empty properties to determine how the Council can most
  effectively contribute to their future sustainability. This vision should consider
  the proactive re-shaping of these communities and action to build on their
  unique identities and assets.
- 2. That the Council revises the 2013 Cwm Taf Empty Homes Strategy to reflect the findings of this review, and in particular to make appropriate reference to the importance of using enforcement tools where appropriate, and the viability of innovative, new models based on those executed successfully in other local authorities such as Chimney Pot Park in Salford.
- 3. That the Council examines the funding streams at its disposal to tackle empty properties and considers every opportunity to generate private sector funding and develop private sector partnerships with a view to increasing financial resources to tackle the issue of empty properties within RCT.
- 4. That the Service Director, Public Health & Protection is required to complete a review which links to the recommendation taken forward by the HMO Scrutiny Working Group in 2013 to consider the introduction of selective licensing schemes in defined wards that are experiencing high numbers of empty properties
- 5. That the Service Director, Public Health & Protection is required to develop an engagement strategy to strengthen the relationship between the Council, the private rented sector and other stakeholders such as Housing Associations to ensure all parties collaborate effectively to bring back into use empty homes.
- 6. That the profile of the Council's Empty Property Officer is raised and their work is further promoted amongst key partners and Council departments involved in tackling the issue of empty properties in RCT.
- 7. That a targeted, time limited media campaign with effective branding is undertaken to highlight the issue of empty properties amongst key stakeholders, empty property owners and the residents of RCT.
- 8. That the Council does everything at its disposal to ensure that advice and information aimed at bringing back empty properties into use is easily and readily available to all via the Council website.
- 9. That the Council reviews the current arrangements for council tax discounts allowed for empty properties and consideration is given to changing the level of discount (currently 50%) to 25% or less applicable to those properties falling within Class C of the prescribed Classes of Dwellings Order in order to raise the additional revenue (to be ring-fenced for housing issues including empty properties).

### **APPENDIX 1**

### National Strategic Performance Indicator NSI PSR/004

Service/policy area Domain Reference Headline

Indicator

Guidance

#### **Housing - Private Sector Renewal**

Strategic Outcomes

PSR/S/F/004/03-012 (PSR/004)

# Vacant dwellings returned to occupation

The percentage of private sector dwellings that had been vacant for more than 6 months at 1 April that were returned to occupation during the year through direct action by the local authority

For a full definition of dwelling please refer to the Private Sector Renewal glossary.

A vacant dwelling is vacant of people. This excludes:

- > A second or holiday home
- A newly completed dwelling that is awaiting occupation
- An existing dwelling that is being converted or modernised
- A dwelling that is in use but for non-residential purposes

The following are examples of the types of direct action that can lead to a dwelling being returned to occupation:

- Grants, loans or other financial assistance either provided or facilitated by the authority
- Providing advice, such as:
- o Literature on the authority's empty homes strategy
- o Advice on letting, including legal and housing benefit requirements
- o Advice on grants and other financial assistance including tax concessions available
- o Details of landlord forums or accreditation schemes
- o Advice on repairs, including details on building contractors meeting minimum requirements
  - Referral to partner Registered Social Landlords (RSLs) or other intermediary with relevant expertise
  - Enforcement action including statutory notices
  - Enquiries made to establish ownership of property and follow

#### up action

A property should only be counted once, regardless of whether it has been subject to more than one action/intervention that led to it being returned to occupation.

Where properties are sub-divided into additional units in an effort to return a dwelling to occupation, the number of units created should be included. For example, a house that has been converted into three flats and then returned to occupation would count as three dwellings having been returned to occupation.

The data for this indicator can be obtained from the Revenue Section of the local authority, who should have information relating to whether council tax is being paid on the private sector dwellings. All properties which are liable to council tax, regardless of whether a discount is applied or not and have been vacant for more than 6 months should be included.

The number of dwellings that have been vacant for at least 6 months should be counted at the 1 April. This figure should not be adjusted to include any properties that reach the 6 month limit during the year.

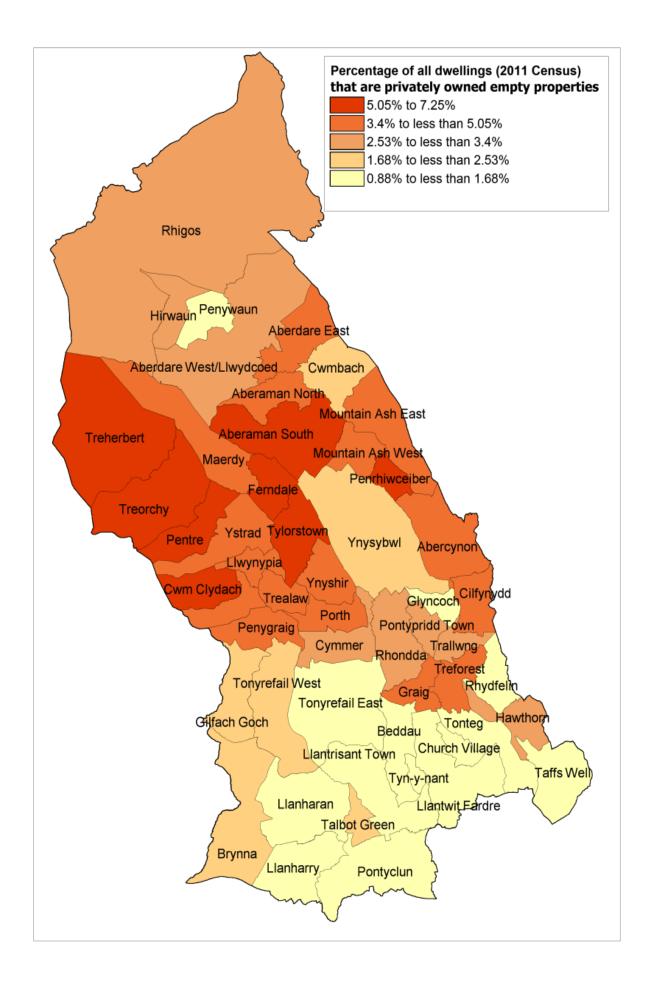
The action by the local authority must have taken place during the current or previous financial year for it to be counted in the numerator.

**Numerator:** The number of private sector dwellings that had been vacant for more than 6 months at 1 April which were returned to occupation during the year through direct action by the local authority

Calculation

### **APPENDIX 2**

Map detailing the correlation between those areas of low housing demand and those higher figures for empty properties



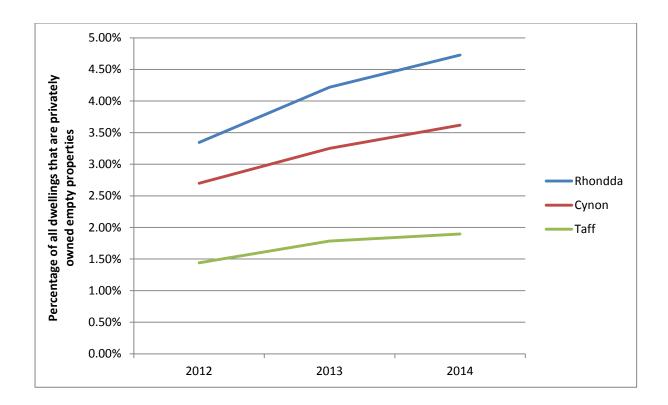
### **APPENDIX 3**

**Empty Properties by Ward in RCT** 

Ward	<b>Dwellings from 2011 Census</b>	No. of Private Empty Homes	c	% of all dwellings
Tyn-y-nant	1472		13	0.88%
Rhydfelin	2005		18	0.90%
Church Village	1952		18	0.92%
Llanharry	1560		15	0.96%
Llantrisant Town	2099		23	1.10%
Penywaun	1331		15	1.13%
Beddau	1751		20	1.14%
Glyncoch	1287		17	1.32%
Pontyclun	3369		45	1.34%
Llantwit Fardre	2510		34	1.35%
Tonteg	1791		26	1.45%
Llanharan	1451		22	1.52%
Taffs Well	1633		25	1.53%
Tonyrefail East	2565		40	1.56%
Cwmbach	2023		34	1.68%
Talbot Green	1284		22	1.71%
Ynysybwl	2025		40	1.98%
Brynna	1614		32	1.98%
Tonyrefail West	2553		54	2.12%
Gilfach Goch	1502		33	2.20%
Pontypridd Town	1261		32	2.54%
Cymmer	2583		72	2.79%
Rhondda	2117		61	2.88%
Hirwaun	1873		54	2.88%
Hawthorn	1713		50	2.92%
Aberdare West/Llwydcoed	4114		121	2.94%
Trallwng	1762		52	2.95%
Rhigos	773		25	3.23%
Abercynon	2845		97	3.41%

Porth	2716	95	3.50%
Cilfynydd	1279	45	3.52%
Penygraig	2501	90	3.60%
Graig	1162	42	3.61%
Llwynypia	1000	37	3.70%
Mountain Ash East	1378	51	3.70%
Maerdy	1536	59	3.84%
Aberaman North	2471	95	3.84%
Mountain Ash West	2079	83	3.99%
Ystrad	2683	112	4.17%
Trealaw	1804	77	4.27%
Tonypandy	1724	76	4.41%
Aberdare East	3291	146	4.44%
Treforest	1807	84	4.65%
Ynyshir	1581	74	4.68%
Aberaman South	2176	110	5.06%
Ferndale	2013	108	5.37%
Treorchy	3615	194	5.37%
Pentre	2513	137	5.45%
Penrhiwceiber	2650	146	5.51%
Treherbert	2837	157	5.53%
Tylorstown	2296	163	7.10%
Cwm Clydach	1339	97	7.24%

Data relating to increased numbers of empty properties since 2012 within RCT



Numbers of empty properties brought back into use through direct action of the local authority

	PSR/004: The percentage of private sector dwellings that had been vacant for more than 6 months at 1 April that were returned to occupation during the year through direct action by the local authority	PSR/004: number o sector dw that had be vacant for than 6 mc 1 April wh were retu occupation the year the local at the loc	f private rellings been more onths at hich rned to n during through on by authority  The ber of actor that vacant than 6	2,899		16 67	36	2,48 (318	36 30 0)	3,083
The percentage of private sector dwellings that had been vacant for more than 6 months at 1 April that were returned to occupation during the year through direct action by the local authority	0.5	months at	ТАРП	0.54%	1.	18%	$\cap$	.47% (2.7%)		3.05%

**Legislative Powers available to the Local Authority** 

#### **Main Legislation & Powers**

**Housing Act 1985 (section 17)** - This Act gives the local authority the power to take over land, houses or other properties to increase the number of houses available or improve the quality of the housing stock. The main uses of this power are to get land for housing. This includes bringing empty properties back into use as homes, and improving substandard ones. Where the local authority get control of a property through this power, it will usually sell it to:

- a private-sector developer
- an owner-occupier or
- a registered social landlord

**Housing (Wales) Act 2004 (Improvement notices)** – Several sections may be used under this act including a possible course of action for dealing with Category 1 or 2 hazards. A hazard is the effect which may result from a fault and which has the potential to cause harm.

**Town and Country Planning Act 1990, section 79-81** – Where a premise causes a health nuisance or risk and repair work is required to make it safe.

**Building Act 1984 (Section 77) -** If it appears to a local authority that a building or structure, or part of a structure, is in such a condition as to be dangerous, the authority may apply to a magistrate's court and the court may order works necessary to obviate the danger or if the owner so elects he may demolish building or structure or any dangerous part of it.

**Local Government (Miscellaneous Provisions) Act 1982** – Several sections under this Act can be used but predominantly to undertake works on an unoccupied property to secure them against unauthorised entry. 48hr notice is required by the by the Council to carry out the work however, in the absence of the owner or if urgent works are required the notice period can be waived.

**Environmental Protection Act 1990 (Section 80)** – If an empty property is causing a statutory nuisance the local authority can serve an abatement notice on the owner requiring works to be undertaken within a specified timescale. This can be used where a structure of a building is defective and is causing a problem to a neighbour's building.

#### **Enforced sales procedures (Law of Property Act 1925)**

Law of Property Act 1925 -Where a local authority has issued and enforced a land charge against a property, this would be carried out if the local authority has undertaken Works in Default action. The owner is given the opportunity to repay the debt prior to sale. If this does not happen within a specific period the local authority can act as a mortgagee and bring the property to sale on the open market at an auction or to a preferred buyer. All charges will be cleared from the sale allowing the

council to recover the cost of the works previously carried out and the remainder would be paid to the owner.

#### Compulsory Purchase Order (CPO's) (Housing Act 1985)

Similar to an enforced sale the compulsory purchase order would only be used by the local authority if the owner had no realistic plans and is often the last resort to deal with empty properties and therefore the local authority will have to demonstrate that all steps have been taken to encourage and assist owners to bring their property back into use. Where a property is subject to a compulsory purchase order it may be disposed of on the open market to an owner who will agree to bring it back into use within a set period of time.

#### **Empty Dwelling Management Orders (EDMO's)**

Empty dwelling management orders allow the local authority to take over the day to day management of a property with the view to taking steps to ensure the property becomes or continues to be occupied. An EDMO gives the local authority possession of the property without taking ownership of it.

#### **Demolition Order Housing Act 1985 (Amended by the Housing Act 2004)**

Where the local authority is satisfied that all other courses of action have been investigated it may serve a Demolition Order. The location of adjacent buildings is a key factor in assessing the possibility of this option. This can sometimes be a lengthy process and is usually only considered for a large number of empty properties are in a poor state of repair.

Summary position for RCT -Council Tax empty properties

# Health & Wellbeing Scrutiny Committee - 02.09.15 RCT CURRENT POSITION

#### **RCT SUMMARY POSITION - COUNCIL TAX EMPTY PROPERTIES**

	Exemption	Exemption	Year 1	Year 2	Year 3	Year 4	Year 5	- Movement in 5 Years 63 286 15 18 -3 377 173 929 1965	%age
Description	Period	Class	31/03/2010	31/03/2011	31/03/2012	31/03/2013	31/03/2014		Increase in 5 Years
Structural Alteration	Max 12 months exemption	А	460	427	470	494	523	63	14%
Empty/Unfurnished less than 6 months	Max 6 months exemption	С	1,419	1,419	1,453	1,534	1,705	286	20%
Receiving Care (care home etc)	Exempt	E	250	299	295	283	265	15	6%
Owner deceased	Exempt	F	473	501	471	491	491	18	4%
Receiving Care (elsewhere)	Exempt	I	25	20	25	25	22	-3	-12%
Empty/Unfurnished more than 6 months	50% discount	St Empty	2,196	2,385	2,421	2,412	2,573	377	17%
Empty/Furnished	No discount	Section 12	50	105	147	197	223	173	346%
				T	T		T		T
	Totals		4,873	5,156	5,282	5,436	5,802	929	19%
Properties in Valuation list			105,242	105,754	106,192	106,693	107,207	1965	2%
%age of empties in valuation list			5%	5%	5%	5%	5%		

Council Tax Class 'A' and 'C' dwellings -All Wales context

### Class 'A' Dwellings - All Wales Context

Class A Dwellings - All Wales (structural repair)											
LA	2009-10	2010-11	2011-12	2012-13	2013-14	Movement in 5 Years	%age Change in 5 Years	Rolling 5 Year Average of Class 'A' dwellings (as %age of Banded Properties)			
Blaenau Gwent	90	120	109	123	138	48	53%	0.4%			
Bridgend	60	58	62	62	36	-24	-40%	0.1%			
Caerphilly	229	244	276	288	251	22	10%	0.3%			
Cardiff	200	210	240	250	285	85	43%	0.2%			
Carmarthenshire	275	279	317	327	335	60	22%	0.4%			
Ceredigion	98	101	114	100	104	6	6%	0.3%			
Conwy	114	110	131	125	79	-35	-31%	0.2%			
Denbighshire	63	68	66	75	77	14	22%	0.2%			
Flintshire	112	177	179	197	201	89	79%	0.3%			
Gwynedd	79	68	86	82	95	16	20%	0.1%			
Isle of Anglesey	89	55	82	129	146	57	64%	0.3%			
Merthyr Tydfil	62	57	76	76	110	48	77%	0.3%			
Monmouthshire	105	42	44	69	89	-16	-15%	0.2%			
Neath Port Talbot	130	122	192	163	158	28	22%	0.2%			
Newport	168	151	171	163	145	-23	-14%	0.3%			
Pembrokeshire	110	126	131	135	187	77	70%	0.2%			
Powys	125	116	121	110	108	-17	-14%	0.2%			
Rhondda Cynon Taf	492	461	449	429	430	-62	-13%	0.4%			
Swansea	300	251	155	197	195	-105	-35%	0.2%			
Torfaen	58	73	81	61	54	-4	-7%	0.2%			
Vale of Glamorgan	54	16	22	59	45	-9	-17%	0.1%			
Wrexham	67	78	65	84	64	-3	-4%	0.1%			
Total	3,080	2,983	3,169	3,304	3,332	252	8%				

### Class 'C' Dwellings – All Wales Context

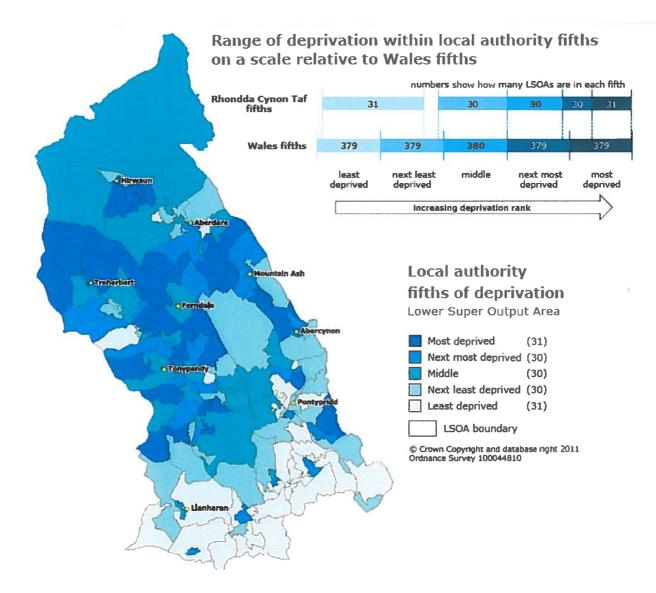
Class C Dwellings Across Wales (vacant and unfurnished < 6 months)									
LA	2009-10	2010-11	2011-12	2012-13	2013-14	Movement in 5 Years	%age Change in 5 Years	Rolling 5 Year Average of Class 'C' dwellings	
Blaenau Gwent	343	371	458	504	528	185	54%	1.4%	
Bridgend	472	560	493	539	420	-52	-11%	0.8%	
Caerphilly	879	747	876	1,008	945	66	8%	1.2%	
Cardiff	2,399	2,281	1,728	1,786	1,525	-874	-36%	1.3%	
Carmarthenshire	934	925	958	1,095	1,253	319	34%	1.2%	
Ceredigion	251	216	232	213	241	-10	-4%	0.7%	
Conwy	651	696	752	755	787	136	21%	1.3%	
Denbighshire	552	581	599	611	620	68	12%	1.4%	
Flintshire	690	715	681	735	714	24	3%	1.1%	
Gwynedd	477	504	435	480	473	-4	-1%	0.8%	
Isle of Anglesey	448	342	343	340	439	-9	-2%	1.1%	
Merthyr Tydfil	389	443	364	385	457	68	17%	1.6%	
Monmouthshire	489	487	511	509	497	8	2%	1.2%	
Neath Port Talbot	735	764	846	924	1,106	371	50%	1.4%	
Newport	755	778	770	729	796	41	5%	1.2%	
Pembrokeshire	472	581	587	631	733	261	55%	1.0%	
Powys	777	764	785	868	944	167	21%	1.3%	
Rhondda Cynon Taf	1,496	1,359	1,408	1,451	2,001	505	34%	1.5%	
Swansea	1,887	1,751	1,553	1,656	1,964	77	4%	1.6%	
Torfaen	345	336	300	342	314	-31	-9%	0.8%	
Vale of Glamorgan	294	323	305	357	394	100	34%	0.6%	
Wrexham	528	581	485	552	484	-44	-8%	0.9%	
Total	16,263	16,105	15,469	16,470	17,635	1,372	8%		

50% Discounted Dwellings - All Wales Context

# Health & Wellbeing Scrutiny Committee - 02.09.15 50% Discounted Dwellings (mainly long term empties) – All Wales Context

Dwellings with 50% Discount (All Wales) - includes Long Term Empties, over 6 months										
LA	2009-10	2010-11	2011-12	2012-13	2013-14	Movement in 5 Years	%age Change in 5 Years	Rolling 5 Year Average of Long Term Empty Props	Discount Granted for Long Term Empties	
Blaenau Gwent	747	735	795	821	856	109	15%	2.5%	50%	
Bridgend	1,068	997	1,054	1,135	1,064	-4	0%	1.8%	50%	
Caerphilly	76	83	80	78	108	32	42%	0.1%	0%	
Cardiff	5,050	4,803	1,371	1,135	1,135	-3,915	-78%	1.8%	0%	
Carmarthenshire	2,150	2,287	2,483	2,490	2,636	486	23%	2.9%	50%	
Ceredigion	107	110	113	116	125	18	17%	0.3%	0%	
Conwy	112	112	100	106	115	3	3%	0.2%	0%	
Denbighshire	68	78	73	79	78	10	15%	0.2%	0%	
Flintshire	65	66	67	75	77	12	18%	0.1%	0%	
Gwynedd	1,501	144	147	141	148	-1,353	-90%	0.7%	0%	
Isle of Anglesey	76	93	108	107	111	35	46%	0.3%	0%	
Merthyr Tydfil	581	588	614	597	543	-38	-7%	2.2%	50%	
Monmouthshire	631	662	685	32	57	-574	-91%	1.0%	0%	
Neath Port Talbot	1,228	1,349	1,438	1,535	1,548	320	26%	2.2%	50%	
Newport	929	937	982	977	1,047	118	13%	1.5%	0%	
Pembrokeshire	1,261	1,337	1,362	1,377	1,383	122	10%	2.3%	50%	
Powys	1,242	1,415	1,501	1,536	1,504	262	21%	2.3%	50%	
Rhondda Cynon Taf	2,243	2,191	2,382	2,453	2,532	289	13%	2.2%	50%	
Swansea	2,510	2,345	2,278	2,284	2,227	-283	-11%	2.1%	50%	
Torfaen	445	473	470	458	471	26	6%	1.2%	0%	
Vale of Glamorgan	1,510	1,410	1,354	1,407	1,383	-127	-8%	2.6%	50%	
Wrexham	63	62	62	63	62	-1	-2%	0.1%	0%	
Total	23,663	22,277	19,519	19,002	19,210	-4,453	-19%			

### **Allocation of Lower Super Output Area**



#### The analysis indicates that:

- 17.5% of the LSOA were ranked as being within the top 10% of most deprived areas in Wales and 73.7% of the LSOA were identified as being in the top 50% most deprived areas;
- 2 LSOA are in the 10 most deprived areas in Wales i.e. Penrhiwceiber 1 ranked 5<sup>th</sup>, and Tylorstown 1 ranked 10<sup>th</sup>.