

Action on empty homes



Community action on empty homes

Using empty homes to regenerate communities



Action on Empty Homes

200A Pentonville Road, Kings Cross, London N1 9JP

T 020 7832 5808

[www: actiononemptyhomes.org](http://www.actiononemptyhomes.org)

Pictures kindly supplied by:

Cultures Community Interest Company

East Midlands Community-Led Housing

Giroscope

Groundwork (GM)

Methodist Action North West

North Ormesby Community Land Trust

Foreword

The year on year rise in the number of homes in England standing empty for long periods has drawn attention and concern from many quarters, not least the press, politicians and people in need of secure affordable housing. According to official statistics there are now over 216,000 long term empty homes in England.¹ Anecdotal evidence from local authority Empty Homes Officers concerned about under-reporting and mis-reporting suggests this huge figure could underrepresent the true scale of the problem.

Most councils attempting to bring empty homes into use rely on a casework approach, addressing individual properties using persuasion and their statutory powers to cajole or force owners to take remedial action. They make steady progress but as the increasing figures show this approach has limitations as the tide of new long-term empty homes continues to rise.

Councils taking concerted action are to be applauded. But the individual casework approach misses something we believe to be of urgent concern: the pernicious impact on communities of living in areas with high levels of long-term empty homes. The impact is widely recognised. The House of Commons Briefing Paper 'Empty Housing (England)' published in June 2018 states:

“High levels of empty properties are recognised as having a serious impact on the viability of communities... As the number of empty properties within an area increases, so can the incidence of vandalism, which acts as a further disincentive to occupation.... This spiral of decline can continue as further households are deterred from moving into an area devoid of amenities, and where empty property and derelict shops add to a sense of neglect.”²

Communities can become trapped in a cycle of decline. This has significant implications for their residents' physical and mental health, educational achievement and access to work. A recent report from the Human City Institute, "The Power of Place: Health Inequalities, Housing and Community in the West Midlands Conurbation",³ is just one quality research document of many to demonstrate the link between area deprivation and life-impacting inequalities. It is time to broaden our vision, to see not just the empty homes but the effect they have on those living near them and on those who need decent secure housing and a chance to thrive.

Supported by Esmée Fairbairn Foundation, Action on Empty Homes has undertaken a three-year project to look at an approach to bringing empty homes into use that ensures the process of renovation itself is a vehicle for engaging and rebuilding communities, for developing skills and confidence, supporting vulnerable and excluded households, and by doing so addressing, in a lasting way, the underlying issues, breaking the cycle of decline.

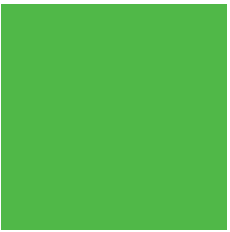
In this report – "Community action on empty homes" – we share our learning from studying six demonstration projects, each at different stages of development but all employing community-based approaches to bringing empty homes into use. We aim to encourage others to form community-based partnerships, to bring empty homes into use for local people and through doing so to help address the persistent underlying issues that keep people locked into poor housing and locked out of a safe, secure and affordable home.

Tom Crowley, Chair, Action on Empty Homes

1 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/784593/LT_615.xls

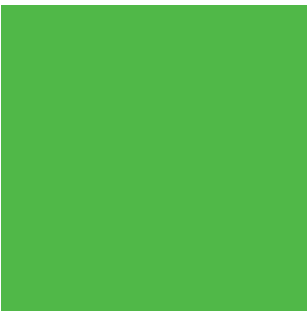
2 House of Commons Library Briefing Paper Number 3012, 13 June 2018 Empty Housing (England) By Wendy Wilson Hannah Cromarty Cassie Barton

3 Human City Institute The Power of Place: Health Inequalities, Housing and Community in the West Midlands Conurbation, March 2019 <https://humancityinstitute.com/reports>

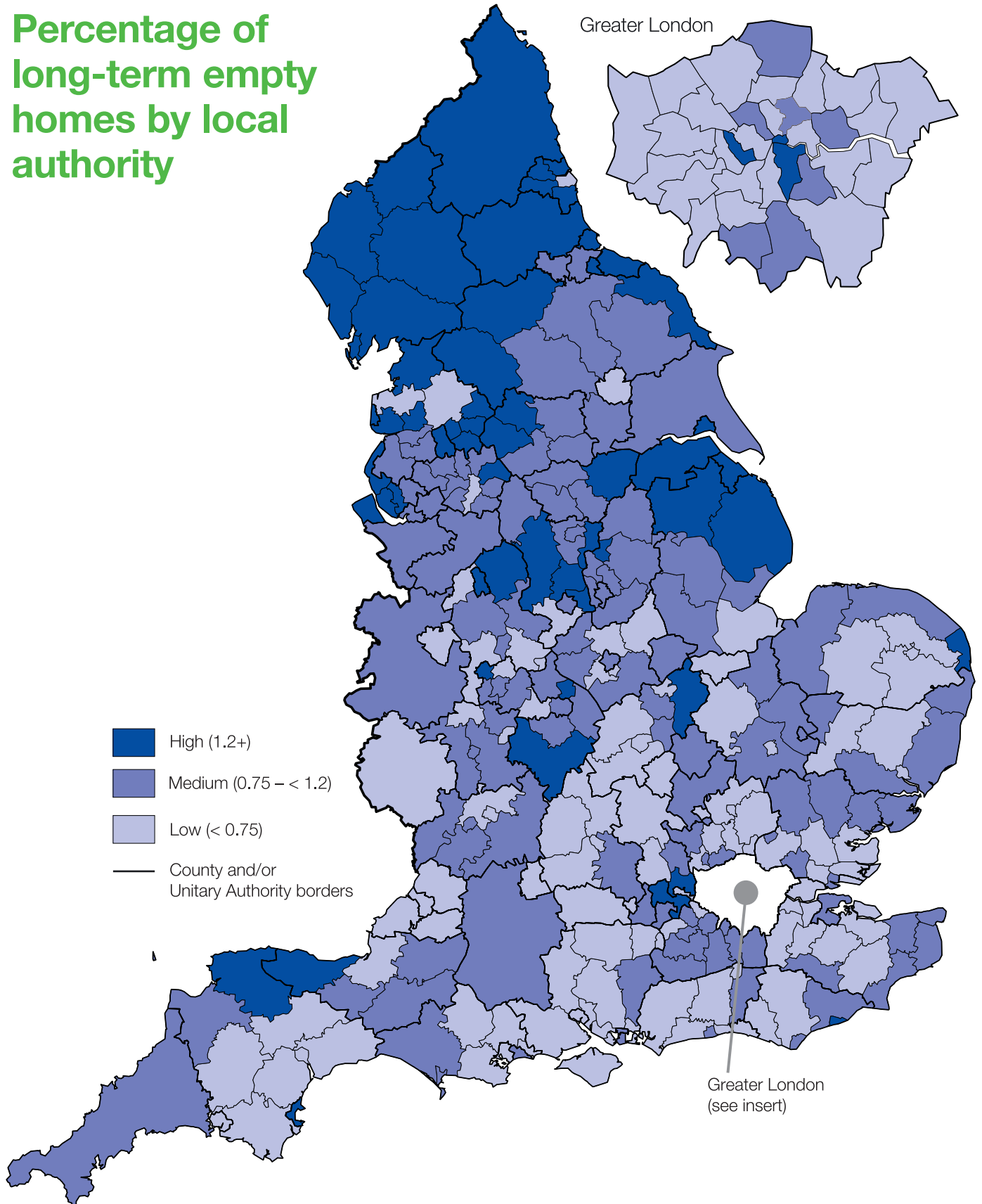


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Percentage of long-term empty homes by local authority



Community action on empty homes

Using empty homes to regenerate communities

Empty homes in England

In many parts of England there are neighbourhoods where there are persistently high levels of empty homes. These neighbourhoods are concentrated in the North, Midlands and some coastal areas. Our research shows that neighbourhoods with higher levels of empty homes tend also to have lower house prices, poorer and more transient households than the rest of their local authority area and higher levels of sub-standard privately rented sector accommodation.

Empty homes have a negative impact on communities, attracting vandalism and fly-tipping, and depressing the overall street scene. Brought into use they can provide good quality secure affordable housing in areas where people want to settle.

Brought into use by communities, they can lever in investment and enhance the sense of ownership and belonging, provide work experience and training for local and vulnerable or excluded people, create opportunities for social enterprise and put in place community-based infrastructure to help to address long-standing underlying issues.

Our project

Over the past three years, Action on Empty Home has been developing a project to spread community-based based approaches to bringing empty homes into use in areas with high levels of long-term empty homes.

We have followed six demonstration projects where community-based organisations are bringing empty homes into use. We wanted to

understand what worked, as well as the challenges they faced. We wanted to share their experiences to encourage other organisations and areas to look at how community-based regeneration could work in their neighbourhoods.

The demonstration projects regularly reported their progress to us, highlighting what was working well and those areas where they experienced frustrations or barriers to progress.

Our project was also about building the case for a new Government investment programme targeted at areas with high levels of empty homes.

We want an investment programme to support community-based approaches that refurbish empty properties, meet the needs of local communities and tackle the underlying causes of the high levels of empty homes in those areas.

The demonstration projects were:

- Cultures CIC working in Stockton on Tees⁴
- East Midlands CLH working in the Sincil Bank area of Lincoln⁵
- Giroscope Ltd working in Kingston upon Hull⁶
- Groundwork (GM) working in Rochdale⁷
- Methodist Action North West working in Darwen, Lancashire⁸
- North Ormesby CLT working in Middlesbrough⁹

This research has been funded by Esmee Fairbairn Foundation. The demonstration projects were selected from the summer of 2016 onwards against the following criteria:

4 <http://culturescic.wixsite.com/cultures-cic>
5 <http://emclh.co.uk>
6 <http://giroscope.org.uk>
7 <http://www.groundwork.org.uk/gm>
8 <http://www.methodistaction.co.uk>
9 <http://north-ormesby-clt.org.uk>

- Based in local authorities or neighbourhoods with relatively high levels of long-term empty homes
- Involving community-based organisations in a lead role who actively engage with local people
- Focused on bringing empty homes into use as affordable housing, but with ambitions to achieve broader community outcomes, such as education, volunteering and training opportunities; homelessness prevention; and access to advice and housing support
- Having the support of the local authority, or part of a partnership approach with the local authority, or the potential to attract its support
- Part of a wider neighbourhood regeneration partnership, or the potential to be part of such a partnership
- Having local project leader(s) in place, or about to be appointed
- Having a viable business plan and the capacity to deliver
- Agreeing to report progress towards target outcomes and share learning with other areas.

The demonstration projects were at different stages of development and delivery. This enabled us to better understand the opportunities and challenges presented across the whole process of bringing empty homes into use through community-based approaches. In

addition, the experience and learning being shared by the projects helped identify building blocks for community-based approaches and highlighted some common obstacles.

The spiral of reactive spend

Our community-based approaches project has highlighted that as well as locking communities into a spiral of decline, areas with concentrations of empty homes can trap local authorities and other public services into a spiral of reactive spend.

Reactive spend occurs when:

- Local authorities act to address fly-tipping and statutory nuisance
- Police services respond to vandalism, anti-social behavior (ASB) and substance misuse
- Fire services respond to arson
- Health services manage and treat poor physical and mental health.

The effect of this is that the impacts – the costs and risks – of homes standing empty are largely shouldered by local people and local public services. Reactive spend is public spend. In reality, the home owner is responsible for the property. We think this balance of spend is wrong and believe a review is overdue of where responsibility for the cost of empty homes should lie. We have devised an ‘equation’ to illustrate this which can be viewed on the left hand side of this page.

Our equation illustrating the balance of spend

Unrenovated empty property = low cost (risk) to owner
high cost to the community and public services

Renovated occupied property = renovation cost (risk) to owner
reduced cost to the community and public services

We think public funding should be focused on investment in communities to make use of empty homes to meet their need for secure affordable housing, for providing work and training, for rebuilding community networks, fostering resilience and supporting opportunities for change and growth. This investment approach would provide better ‘value for money’ and help to reduce the amount of public funding currently pouring into reactive spend.

What can communities achieve?

The community-based projects we followed all achieved very similar positive outcomes by:

- Pulling in investment to bring empty homes into use
- Directly addressing needs
- Providing opportunities for education, training and work
- Generating social enterprise

and fundamentally

- Providing secure affordable housing for local people from homes which would otherwise have been standing empty.

We followed different types of communities. Some were neighbourhood-based, tackling empty homes in their immediate locality. Some were more dispersed communities of people sharing a common experience such as people with mental health concerns, people in recovery or those leaving prison, and some facing common challenges such as refugees, migrant workers or new entrants to the UK. Each community was bringing empty homes into use, presenting a competent and holistic offer.

Communities can deliver affordable housing from otherwise wasted resources, and in doing so rebuild essential community infrastructure, offering opportunities for real life change and enhancement to local people. Of the demonstration projects we followed, only two – Giroscope and EMCLH – started as fundamentally housing organisations and only one – Giroscope – had empty property as its core business. The remainder came to housing through recognition of two things: the members of their communities needed access to secure affordable housing; and the process of bringing

empty homes into use has inherent value, offering clear opportunities to provide training and work experience, to develop positively support and enhance the health and well-being of local people.

Measuring impacts: Social Return on Investment (SROI)

During the project we also explored Social Return on Investment (SROI), drawing heavily on the established and validated HACT Social Value Bank (SVB).¹⁰ Together with HACT and the six demonstration projects, we drew together twenty Social Value (SV) indicators to reflect aspects of SROI achievable through community-based approaches to bringing empty homes into use. The aim was to begin to place measurable, financial value on the return on investment in empty homes. The SVB indicators looked across five key outcome areas:

- Work and work experience e.g. access to employment or regular volunteering
- Training for work e.g. access to apprenticeships or vocational training
- Community living and social inclusion e.g. feeling safer or now part of a social group
- Empowerment e.g. relief from depression/anxiety or resettlement
- Housing e.g. move from temporary to secure housing or access to tenancy support.

As each community-based project was unique, each collecting data relevant to its own target outcomes, the consistency and completeness of SROI data collected was, and remains, an area for further work. We were however able to draw general indicative conclusions about the value of SROI achievable through community-based approaches.

Based on data available at the time of publication, since April 2016 and across all six projects, the following table shows how many empty homes were brought into use and the number of local people engaged with the work and the number of those directly housed. The table also shows the value of funding for housing levered into their communities by the six projects:

Homes completed 2016 - 2019

No units completed	65
Local volunteers engaged in works	644
Volunteers housed	20
Total funding achieved	£3,091,215.00

With respect to outcomes for the volunteers involved with bringing empty homes into use for the same period and across all six projects:

Progress made by volunteers

Unemployed/school leaver at start	644
Received vocational training	644
Into work at end	83
Into further education at end	53
Percent in work or training	21.10%

A total of 136 local people moved either into work (including volunteering) or into further education. This represents over 21% of active participants gaining access to employment, training or volunteering. This compares well with the DWP Work Programme where on average 16.2% of participants access work, training or further education.¹¹

The availability of community safety statistics is limited. The projects work across private-sector mixed tenure neighbourhoods, where unlike social housing estates, there is no overall

responsible authority. The projects have collected data about the impact of their work from members of their community. 'Feeling safer' is a key indicator used by the police and Safer Communities Partnerships alongside crime figures and as such is a valid indicator of impact. Across the six demonstration projects, 1017 people reported feeling safer and experiencing an enhanced sense of belonging in the area. This includes feeling safer, having more confidence, having developed new social skills and new work skills, and having improved access to the internet.

The projects have also collected data on the housing issues resolved through empty homes being brought into use. This does not cover all people housed, just those with specific housing needs, specifically people in recovery, ex-offenders, ex-service personnel and young homeless people. In total, 190 vulnerable people have been housed either directly in empty homes brought back into use, or in accommodation managed by the demonstration projects. This includes vulnerable people living in insecure privately rented accommodation or with friends/family (See graph on following page).

Most of the projects we followed contributed directed to rebuilding the local economy through social and community enterprise. Cultures CIC has instituted projects and social enterprises to encourage and support a sense of integration and belonging with people new to the UK, including a bicycle repair workshop, youth cafe, English language classes and coaching and training programmes. They also have a small garden with an associated project making wooden garden containers.

North Ormesby CLT and Methodist Action North West have each established a social lettings agency, providing tenancy management services to local private landlords, including lease and repair, to improve security of tenure and property condition in the private rented sector. North Ormesby CLT run a range of local services from information and advice services to running the local street market. They are also

¹¹ Department for Work and Pensions
Work Programme National Statistics
<http://www.gov.uk/government/statistics/work-programme-statistical-summary-data-to-december-2017>

Impact for volunteers and local community

Reported feeling safer and more included	1,017
Local people housed	190
Moved to a more secure affordable home	108
Received tenancy support	82

currently setting up a new housing scheme for ex-service personnel.

In West Hull, Gioscope redeveloped an old stables and yard to create Arthur Street Social Enterprise Park. The building incorporates both solar thermal and solar electric technologies and provides space to over six small enterprises and community businesses, including an artisan bakery and English language project.

Gioscope has brought empty commercial property into use for a bicycle project and wood shop. They also own a vegetarian café and a shop, which along with the enterprise parks helps to create and sustain jobs for local people.

Our project following community-based approaches to bringing empty homes into use has shown that positive investment in communities can achieve significant social return on investment and as such can represent better value for money than approaches which rely on reactive spend.

Can communities 'Return on Investment'?

Through our work with the six demonstration projects, we have observed an important phenomenon not captured by Social Return on Investment¹² (SROI) and believe there is something new to be examined about the solutions offered by the projects we have worked alongside and studied. We have called this 'Community Return on Investment' (CROI).

Our hypothesis is that the value of this community return in social and financial terms

can exceed by some considerable margin the monetary value of the investment made and can be more enduring as the community builds the social, environmental and economic infrastructure it requires and on its own terms. This durability and the value gained may, in turn, become a central argument and driver for targeting investment to where it can best be used by communities.

SROI is essentially a top-down perspective, revolving around external structures and decision-making processes - the agency of communities is not properly accounted for. As a result, SROI misses the crucial feature that communities of themselves 'return' on the investment received, they return a value not captured by SROI.

As a model for investment, CROI differs from SROI by recognising the value of community agency, shared problem solving, listening, collaborating and innovation that is more organic than when imposed and can, consequently, enable investment to be targeted to where it can best be used by communities, rather than where it can be most easily spent by organisations and funders. In our experience, CROI appears at its greatest when communities have the flexibility to define and target resources towards priorities they themselves identify rather than when resources have been defined and targeted by commissioners and funders.

Action on Empty Homes is currently developing a means of recognising and quantifying Community Return on Investment in community-based regeneration centred around bringing empty homes into use.

¹² Social return on investment (SROI) is a method for measuring extra-financial value such as environmental or social value not currently reflected or involved in conventional financial accounts. It can be used by any entity to evaluate impact on stakeholders, identify ways to improve performance, and enhance the performance of investments.



Left and below: Cultures Community Interest Company in action



The community projects

Cultures Community Interest Company

Cultures Community Interest Company (CIC) formed in 2007 to support people of Black, Asian and Minority Ethnic (BAME) heritage, and migrant and refugee communities. It aims to improve social, economic and cultural inclusion and build social cohesion. Although based in Stockton-on-Tees, Cultures CIC works across a broad geographical area. Cultures CIC was set up because its founder recognised the difficulties faced by migrant households and new entrants to the UK.

Services were developed to help people understand the local culture, as well as their rights and responsibilities in Britain. Through education and training, Cultures CIC supports people into skilled work and professional occupations to help them avoid becoming trapped in the unskilled, low-wage sector. It works in partnership with a range of other agencies, including Jobcentre Plus and the Education and Skills Funding Agency. It also works with Stockton-on-Tees Borough Council and Five Lamps, a charitable social and financial inclusion organisation. Cultures CIC delivers cultural awareness-raising seminars and conferences for public, voluntary and private sector organisations.

Cultures CIC was not initially established to provide housing. For many years, Cultures CIC has held a 'Taste of Africa' event, to coincide with Black History Month. The event has attracted performers and artists from all over the world, offered food from many cultures and involved local schools and businesses. The aim has been to celebrate diversity and break down cultural barriers across the North East. The

need for safe, secure, affordable housing in stable communities was identified through its work with client groups. It found that the people it worked with often had little option but to live in the worst, most insecure, privately rented accommodation, which only served to compound their difficulties and frustrate their attempts to settle in the area. Cultures CIC was included as a demonstration project because it showed bringing empty homes into use is an effective means of meeting the housing, social and economic needs and aspirations of diverse and mixed communities.

Stockton-on-Tees is a town in North East England which extends out into a more rural hinterland. The Council is a member of the Tees Valley Combined Authority. In mid-2016, the population estimate for Stockton-on-Tees was 194,192.¹³ In 2017, the average lower quartile house price was £104,000¹⁴ and the affordability ratio was 5.29 times lower quartile residence-based earnings.¹⁵ Some areas in Stockton-on-Tees were ranked in the lowest decile of the Index of Multiple Deprivation (IMD) in 2015, and in the sixth decile for 'living environment'.¹⁶ In 2018, 1.08% (938) of homes were recorded empty¹⁷ and there were 4,307 households on the local authority housing register.¹⁸ In its Housing Strategy 2018-23,¹⁹ Stockton-on-Tees Borough Council commits to improving the private rented sector by tackling empty homes and regenerating neighbourhoods that are suffering from housing market imbalances. This includes bringing empty properties back into use to let at affordable rents. The Council recognises the effects on communities of empty properties can be negative, wide-ranging and be symptomatic of housing decline in areas where demand is low or market dynamics have changed.

- 13 Office for National Statistics (2016) 'Population, Estimates for UK, England and Wales, Scotland and Northern Ireland, Mid-2016 Detailed Time Series': <http://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/bulletins/annualmidyearpopulationestimates/latest>
- 14 HM Land Registry, UK House Price Index: Reports <http://www.gov.uk/government/collections/uk-house-price-index-reports>
- 15 Office for National Statistics, House price to workplace-based earnings ratio <http://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningslowerquartileandmedian>
- 16 HM Ministry of Housing, Communities and Local Government: English indices of deprivation 2015 <http://www.gov.uk/government/statistics/english-indices-of-deprivation-2015>
- 17 Ministry of Housing, Communities & Local Government: Table 615: vacant dwellings by local authority district: England, from 2004 <http://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacantstats>
- 18 Ministry of Housing, Communities & Local Government: Live tables on rents, lettings and tenancies <http://www.gov.uk/government/statistical-data-sets/live-tables-on-rents-lettings-and-tenancies>
- 19 Stockton on Tees Housing Strategy 2018-23: <http://www.stockton.gov.uk/media/1584697/housing-strategy.pdf>

In 2015/16, Cultures CIC was due to pilot a housing project to bring four empty flats into use to provide secure affordable housing. The properties were leased from Thirteen Group, who had in turn leased them from private owners. Administrative hold-ups within key partner organisations delayed the start date to February 2017, however the homes did not require structural works and were occupied by May 2017. The pilot project brought together people from different cultures and helped in the development of English language skills. The renovation works provided opportunities for people to develop their skills, working alongside professionals refurbishing the four properties.

Funding for the pilot project was a primary challenge and was one of the reasons for a delayed start to the project. Cultures CIC secured a total of £6,000 from Thirteen Group to lease and refurbish all four flats. To top up this funding, Cultures CIC resourced support in kind from trade professionals, for example decorators and plumbers, who gave some of their time free to carry out works and provided training. B&Q were also approached and provided materials at a considerable discount. This reduced the overall cost of labour and materials and enabled the homes to be delivered within a very small budget.

Since this early pilot project, Cultures CIC has secured a further three empty homes, each leased at a peppercorn rent for five years through Thirteen Group. The first property to be completed in October 2018 was a three-bed house which was let on an interim supported tenancy to a single parent with two children. The tenant was then supported to find independent accommodation and has successfully moved on. The second property was completed in early 2019 at the time of writing was in the process of being let. Works are scheduled to start to the third property in late spring. This house is being converted into shared accommodation.

Funding for refurbishment works has remained limited. Cultures has tried not to rely on grants but this has resulted in smaller steps taken over

a longer period. Much of the funding has been drawn from Cultures CIC's own resources. At the time of writing, this amounted to £18,000 to bring two of the properties into use, and undertake preparation works to renovate the third property. Cultures CIC has involved volunteers from its target client groups to assist with renovations and develop new skills. However, retention of volunteers has provided challenging as people move on quickly often to paid jobs, or they leave the area or withdraw as a result of other pressing personal issues. To address this, Cultures CIC now engage fewer volunteers, to ensure the numbers are manageable and it is easier to provide support. This revised model along with continuing support from donors has enabled Cultures to progress with starting on the third property. Cultures CIC has also continued to source voluntary labour. For the third property it has received support from local suppliers and housing associations to assist with rewiring and donate radiators, in addition to offering free labour. The names of those who contribute will be on the house. The engagement of a wide range of local partners each of whom giving freely to the project will create a truly 'community-made' home. It is a very demanding way of bringing an empty home into use, however this model demonstrates the commitment of communities to resolving the challenges they face and their clear ability to do so.

Moving in the space of three years from being a community-based organisation with no experience of housing renovation and management to a project now leasing seven previously empty homes is a considerable achievement. The transition has brought a steep learning curve in terms of accessing funding, technical and legal knowledge, scheduling renovation programmes, managing works and training on site, and ensuring new residents are ready to move in and receive appropriate tenancy support. Following Cultures CIC since they became involved with bringing empty homes into use has enabled us to better understand the obstacles and barriers faced by community groups entering the housing world for the first time.

A challenge shared with most projects bringing empty homes into use is the unpredictable condition of the properties. This can have several impacts: the cost of works can increase, and the time taken to complete works can be extended. In itself this can be problematic as work programmes must be rescheduled with little guarantee that skilled trades can accommodate the changes. It can also delay the completion of refurbishment and push back letting dates. In turn, this can delay the commencement of the rental income stream and create cash-flow concerns for the project overall. Many small community groups lack the resources to weather protracted delays. Hidden problems within empty homes are common, even where detailed survey work has been carried out. This calls for flexibility from funders, contractors and other partners, to seek positive collaborative solutions that help keep community projects on track and retain momentum towards the end goal of delivering secure affordable housing for local people.

Cultures CIC has encountered one cost that can ratchet up tension when delays occur: Council Tax. Many local authorities now charge a premium of up to 200% Council Tax as a deterrent to owners who leave homes empty for long periods. We support this as a means of pressing some owners into much-needed action and recognise the important role it can play in preventing homes standing empty. Where, however, an empty home has been leased to a community group for the purpose of refurbishment and provision of affordable housing, we believe a Council Tax exemption should be made. Community-based schemes especially those offering training, work experience and providing engagement opportunities for local or vulnerable people should be recognised for delivering community benefit. In this context, charging Council Tax on empty homes awaiting refurbishment while the pieces of the community and funding jigsaw are assembled appears unnecessarily punitive. We call on local authorities to review their Council Tax policies as they refer to empty homes owned or leased by community-based organisations, awaiting refurbishment at the



start of the process, experiencing delays in renovations and then awaiting sensitive letting when the works have been completed.

In common with all the projects we followed, Cultures CIC provides Intensive Housing Management Services. Intensive Housing Management refers to a higher level of tenancy management service than that provided for mainstream tenancies, required when tenancies carry higher risks, for example because tenants are unfamiliar with or unable to consistently manage the demands and obligations of independent living. Intensive Housing Management includes:

- Advice and assistance to understand and comply with the tenancy conditions
- Assistance in sustaining all aspects of the tenancy
- Regular assessment of risk with preventive interventions
- Signposting and accessing support from other services e.g. budgeting support; assistance with debt management from voluntary agencies; accessing support to assist with alcohol/ substance related matters
- Increased inspections and maintenance of the building, including health and safety issues, to address increased wear and tear to the property and facilities
- Enhanced rent account management to prevent and manage arrears of rent and other charges

Above: Refurbishment of an empty house under the guidance of Cultures Community Interest Company

- Assistance in claiming/managing housing benefit application
- Advice and assistance regarding the security of the tenants' home
- Regular welfare checks to ensure safety and well-being
- Arranging repairs to communal areas, including fixtures and fittings.

This list is not exhaustive but illustrates the range of housing management activities required to sustain potentially vulnerable tenancies, ensure the property is properly maintained and prevent rent arrears and other property-related debts from accruing. The additional costs incurred would be included as a service charge within the rent, and where accepted by the local authority, the charges would be eligible for Housing Benefit.

Community-based housing providers carry out Intensive Housing Management as an essential means of managing risk and of managing down their costs. Rent arrears can significantly impact cash-flow, an eviction can cost on average £8,200, and the cost of repairs and rent loss between tenancies can be considerable. Effective management of risk is integral to the sustainability of community-based approaches to bringing empty homes into use, whether owned or held on lease.

The properties are often high risk, the environment can be high risk and the affordable housing provided is typically occupied by people with vulnerabilities who may be moving for the first time into a secure home. Cultures CIC has partially resolved acceptance of Intensive Housing Management with the local authority, however, complex procedures remain in place which continue to act as a barrier to accessing this element of Housing Benefit. We call for a 'common sense' approach that recognises the high level of housing management required to ensure previously empty homes are properly managed, the investment made in them is protected, and the tenancies of those who occupy them are sustained. It follows that Intensive Housing Management is the norm, not the exception.

There are a great many administrative tasks to be completed when acquiring, renovating and letting empty homes. Cultures CIC has no dedicated administrative staff for its housing project. To help coordinate the process of letting completed homes and the management of tenancies, Cultures CIC has engaged an outreach support worker focussed on engagement and housing management issues. This post has provided a valuable resource once works have been completed. Dealing with local authorities, larger partners and funders especially in the set-up stages can however bring a great deal of sometimes complex and time-consuming paperwork. From our experience, the scale of this demand on scant resources can prove a deterrent to competent community-groups that would otherwise be able to make a very positive contribution to bringing empty homes into use.

Added to procedural complexity is procedural pace. Many community groups rely on retaining the interest and commitment of local volunteers to drive projects forward. When for example detailed funding applications are required for sometimes relatively small amounts of funding, communities can lose heart. When leasing a property encounters long delays around the legal process, people can drift away. When decision-making is many-layered and complex, momentum can be lost. This does not mean communities are difficult to work with. It does mean overly-complicated processes and procedures can frustrate the achievement of shared objectives, and hinder delivery of collaborative outcomes. We ask that statutory bodies, housing associations, funders and other partners review their approach to timely decision-making, that they ensure application and reporting frameworks around requests for resources are proportionate, and that they develop the flexibility and realism required to effectively support community initiative.

Cultures CIC continues to move forward. It has been approached to take on more properties that will enable expansion of its property portfolio and is looking at the best way to approach this opportunity. It is also in the process of establishing Cultures Homes as an independent community-led housing organisation.

East Midlands Community Led Housing: Sincil Bank

East Midlands Community Led Housing (EMCLH) is a not-for-profit community interest company established in 2012 to provide specialist advice, support and guidance to help set up local, village or neighbourhood-based community-led housing projects in the East Midlands and nearby counties. It employs a range of facilitators to work with communities, landowners, local authorities and providers of affordable housing to bring forward community-led initiatives and offers a range of services to develop community-led affordable housing, including community capacity building, business planning, development, construction and housing management expertise, and to broker partnerships between local communities and other agencies.

Sincil Bank is a compact area of the cathedral city of Lincoln. It was originally a mixture of terraced housing and small industrial premises. The area has experienced considerable economic decline and community fragmentation over a long period and now has a relatively high concentration of empty homes and vacant commercial premises. In mid-2016, the population estimate for Lincoln was 97,795.²⁰ In 2017, the average lower quartile house price was £115,000²¹ and the affordability ratio was 6.54 times lower quartile residence-based earnings.²² The Sincil Bank area was ranked in the lowest decile of the Index of Multiple Deprivation (IMD) in 2015, and also in lowest decile for 'living environment'.²³ In 2018, 0.96% (437) of homes was recorded as empty²⁴ and there were 1,242 households on the local authority housing register.²⁵ Property conditions in the private rented sector are generally poor and there are relatively high numbers of houses in multiple occupation.

Sincil Bank was initially identified by Lincoln City Council as in need of regeneration in 2001, and since then there have been successive interventions with associated funding, including the development of a neighbourhood plan in 2014. From this time the Sincil Bank Neighbourhood Board has been active and engaged with the regeneration of the area. The



Above: Sincil Bank – regeneration area

underlying problems persisted, and in 2016 the City Council commissioned the development of a Sincil Bank, Revitalisation Framework²⁶ which was published in April 2017. The place-shaping framework was founded on extensive community consultations and includes bringing empty properties back into use to help meet the housing aspirations of local people. The Revitalisation Framework included a recommendation to encourage the formation of a Community Land Trust (CLT) to engage in a community-led response to a range of physical and social issues including a response to empty homes in the area.

Following publication of the Framework, Lincoln City Council set up an internal team (Community Development, Housing, Private Sector Enforcement) to work in partnership with local community representatives, the Neighbourhood Board and EMCLH to establish a 'Homes Working Group', comprising public, private, third sector and community stakeholders, chaired by EMCLH. This group formed the foundation for the new CLT.²⁷ A Steering Group of seven people came forward to drive the high-level business planning and incorporation of a new CLT, supported by EMCLH. EMCLH explained how CLT's operate and how a new CLT in the area could engage with a range of potential projects including empty homes. There was universal support for the concept and in December 2017 the Steering Group began working towards incorporation, preparing local publicity and recruiting wider community membership.

The CLT Steering Group was successful in securing £1,800 start-up grant (funded by City Council and Lincolnshire Economic Action Partnership), and EMCLH was invited by City Council to submit a cost proposal for revenue

- 20 Office for National Statistics (2016) 'Population, Estimates for UK, England and Wales, Scotland and Northern Ireland, Mid-2016 Detailed Time Series': <http://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/bulletins/annualmidyearpopulationestimates/latest>
- 21 HM Land Registry, UK House Price Index: Reports <http://www.gov.uk/government/collections/uk-house-price-index-reports>
- 22 Office for National Statistics, House price to workplace-based earnings ratio <http://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearninglowerquartileandmedian>
- 23 HM Ministry of Housing, Communities and Local Government: English indices of deprivation 2015 <http://www.gov.uk/government/statistics/english-indices-of-deprivation-2015>
- 24 Ministry of Housing, Communities & Local Government: Table 615: vacant dwellings by local authority district: England, from 2004 <http://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacantstats>
- 25 Ministry of Housing, Communities & Local Government: Live tables on rents, lettings and tenancies <http://www.gov.uk/government/statistical-data-sets/live-tables-on-rents-lettings-and-tenancies>
- 26 Lincoln City Council: Sincil Bank Revitalisation Programme: <http://www.lincoln.gov.uk/resident/community-sport-and-leisure-facilities/community-events-groups-and-neighbourhoods/sincil-bank-revitalisation-programme>
- 27 A community land trust (CLT) is a not-for-profit organisation that develops and stewards affordable housing, community gardens, civic buildings, commercial spaces and other community assets on behalf of a community

grant to support the emerging CLT. The City Council and Investors in Lincoln targeted two empty homes, with the intention of selling – at cost – renovated units on a turn-key basis to the new CLT. The property owner however disposed of the properties independently. Dialogue with the City Council continued and it is prepared to use compulsory purchase powers to secure long-term empty homes. Discussions are ongoing with the City Council and others to identify the priority empty homes to be brought into use.

The formal establishment of the new body is now complete with a Community Benefit Society as the legal base for operating as an urban Community Land Trust – registered as Sincil Community Land Trust.

With ongoing support from EMCLH, the Steering Group has now:

- Continued to recruit further members to the group from local supporters.
- Secured finance from ‘Pocket Park’ funding source to improve small local recreational spaces in the area.
- Started drafting a formal application for funds from the Homes England Community Housing Fund to cover the pre-construction phase of project development and feasibility costs to acquire the CL’s first renovated empty homes.

Throughout this development process, EMCLH has played a vital, central role. Much of their work has however been ‘at risk’. There is an absence of clear revenue funding streams to enable expert facilitators such as EMCLH to provide the high quality of support and training essential for communities to develop sustainable empty homes and housing projects. Lincoln City Council, Investors in Lincoln and Lincolnshire Economic Action Partnership have each contributed funding which while valuable – and valued - does not provide a coherent funding framework to deliver agreed strategic objectives.

There have been additional challenges. Achieving and maintaining an appropriate

balance between local residents and ‘stakeholders’ on CLT Steering Group has required a constant focus to ensure there are enough residents involved, including contact with local schools to recruit further community membership. As new members join, repeat training is required to ensure people are confident to fully participate. Similarly, a lack of appropriate support funding has been a barrier to building up the Steering Group’s momentum, and to focus on a proper programme of skills-acquisition by its members. Community Housing Fund grant is currently paid in arrears, however some payment in advance would directly support development of new community housing groups.

An interesting challenge (now overcome) was that the Government Regulator of Social Housing considering the application to become a Community Benefit Society decided that the word ‘Bank’ (from the Sincil Bank area of the city) would not be appropriate within the formal registration. This required the Steering Group to reconsider how a new body might still be recognisably relevant to Sincil Bank. It was eventually agreed to amend the registration application so that the new body will be registered as ‘Sincil CLT’.

These types of administrative hurdles can deter community-based groups and knock their confidence. A further example of this was an initial quote for refurbishment works obtained by a third party which was prohibitively expensive. This caused nervousness amongst CLT members over viability. The subsequent involvement of a key supportive local housing association was helpful in reassuring them that better value works can be secured.

New procedures are yet to be finalised for how the City Council can provide future support to new community bodies that wish to acquire and renovate empty properties. Effective timely decision making within local authorities will be instrumental in making the difference between a community-based project being able to act promptly and homes standing empty for longer periods.

Gioscope

Gioscope is a community-based organisation in West Hull started in the mid-1980s by a group of students and young unemployed people who wanted to resolve their own housing situation. It established a workers' co-operative and limited company. In 1986 Gioscope members purchased their first house using their Giro cheques for a deposit and redeveloped the property to provide accommodation for unemployed people. Gioscope has grown considerably from this small start. Over the three years we followed them, Gioscope purchased and refurbished 17 houses and six flats. It now owns a total of 104 previously empty homes, some of which had been vacant for over 12 years.

While bringing empty homes into use, Gioscope involves volunteers and creates training and employment opportunities. On average each day, over 35 volunteers work on site and in the office, supervised and supported by a Volunteer Support Worker and the Building Services Manager. Volunteers, many of whom face challenges, receive a bespoke package of training and support both on and off site. Volunteers get a range of 'hands on' construction work opportunities, plus training in Health & Safety (CSCS), maths, English and IT. Many of Gioscope's paid staff are drawn from the volunteer programme and work alongside selected sub-contractors. In 2017, Gioscope achieved the Howard League for Penal Reform Organisation of the Year Award, in recognition of its effective programme of support and training helping ex-offenders to rehabilitate into the community.

Gioscope also supports local enterprise. In the late 1990s Gioscope bought and renovated an old stables and yard in west Hull to create the Arthur Street Social Enterprise Park. The building has both solar thermal and solar electric technologies and provides space to small enterprises and community businesses, including a bakery, a learning centre and Gioscope's own vegetarian café. In 2013, it bought and converted a second yard in Selby

St which houses Gioscope's bicycle repair project and its wood shop as well as other small social enterprises.

Between 2016 and 2018, Gioscope took over the management of Boulevard Village Hall. The Village Hall has become a local meeting place, and also now has a fully equipped computer suite supported by volunteers. Gioscope initiated a project to refurbish personal computers and then place them, together with free internet access and support, back into the community. In late 2018, Gioscope completed the purchase of the former St. Matthew's Church on Boulevard, west Hull. Some of the services offered at Boulevard Village Hall will be continued at St Matthew's Church. Gioscope aims to expand its social enterprises as well as creating additional space to rent to other organisations in these premises.

In 2017, Gioscope started its first Community-Led Housing self-build project. Prospective tenants are being directly involved in the construction of the buildings. This project, along with purchase and refurbishment of three further empty homes, received £1m in loan funding: £750,000 from Social and Sustainable Capital (SASC); and £250,000 from Power to Change. The project will build three new homes and will be a pilot to creating sustainable, replicable and affordable rented homes that could be used to develop other vacant plots of land in Gioscope's neighbourhood.

Kingston upon Hull is a unitary authority in the East Riding of Yorkshire, England. It lies on the River Hull at its confluence with the Humber estuary, 25 miles inland from the North Sea, with an estimated population in mid-2016 of 260,240.²⁸ In 2017, the average lower quartile house price was £85,000²⁹ and the affordability ratio was 4.74 times lower quartile residence-based earnings.³⁰ Some areas in Hull were ranked in the lowest decile of the Index of Multiple Deprivation (IMD) in 2015, and in the second decile for 'living environment'.³¹ In 2018, 1.36% (1642) of homes were recorded as empty³² and there were 6,852 households on the local authority housing register.³³

- 28 Office for National Statistics (2016) 'Population, Estimates for UK, England and Wales, Scotland and Northern Ireland, Mid-2016 Detailed Time Series': <http://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/bulletins/annualmidyearpopulationestimates/latest>
- 29 HM Land Registry, UK House Price Index: Reports <http://www.gov.uk/government/collections/uk-house-price-index-reports>
- 30 Office for National Statistics House price to workplace-based earnings ratio <http://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningslowerquartileandmedian>
- 31 HM Ministry of Housing, Communities and Local Government: English indices of deprivation 2015 <http://www.gov.uk/government/statistics/english-indices-of-deprivation-2015>
- 32 Ministry of Housing, Communities & Local Government: Table 615: vacant dwellings by local authority district: England, from 2004 <http://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacantstats>
- 33 Ministry of Housing, Communities & Local Government: Live tables on rents, lettings and tenancies <http://www.gov.uk/government/statistical-data-sets/live-tables-on-rents-lettings-and-tenancies>



Above: A kitchen after refurbishment by Giroscope

Through its 2016 Growth Deal Three, the Humber Local Enterprise Partnership (LEP) committed to supporting Hull's city centre transition to new leisure and residential uses, including bringing empty properties into use. By including renovation of empty homes within its key priorities for action, the Humber LEP showed strategic leadership from the 'top', supporting local authorities and other partners to be proactive and initiative schemes to develop integrated approaches to reducing the number of empty homes in their area.

In its 'Hull Housing Strategy 2017-2020', the Council identified reducing empty homes as a priority, both to help deliver affordable housing and to regenerate neighbourhoods in need of renewal and communities in need of investment. The Council recognised that the process of bringing empty properties back into use supported employment and, ultimately,

properties brought back into use increased housing supply. The Housing Strategy included commitment to support local communities and other partners to set out and deliver the change they want to see in their own neighbourhoods.

Hull City Council provides grant funding to bring empty homes into use from its Right to Buy Receipts through its 'Right to Buy Replacement Programme Grant Fund'. This grant programme is for new build housing and for refurbishment of existing empty housing. The amount awarded can be up to 30% of the total amount invested in the capital delivery of the project. Giroscope has made use of this scheme, to date to purchase and refurbish six long-term empty homes.

Hull City Council uses targeted Empty Dwelling Management Orders (EDMO's) to bring long-term empty properties into use. The Council however also recognises that these properties

can be more complex to manage than mainstream social housing. Working in partnership with the Council, Giroscope manages seven of the properties brought into use in this way.

Each of the projects we followed refurbished a proportion of empty homes into use as shared accommodation. Since April 2012, most single people under 35 years have received the 'shared room rate' only of Local Housing Allowance³⁴ for the purposes of Housing Benefit or Universal Credit. Hull City Council is currently addressing the use of some of its less desirable housing stock, especially 2 and 3 bed flats. In partnership with Giroscope it is piloting a shared housing project, looking at how these harder to let homes can be used to increase the supply of shared accommodation.

In 2016, we began following Giroscope's work in St Andrews and Newington wards in Hull where nine empty homes were being brought into use, offering training opportunities for local people. The projected cost of this project was £393,420. Funding is from four primary sources:

- Giroscope loan finance (£280,000)
- Nationwide Foundation (£93,420)
- Humberside, Lincolnshire & North Yorkshire Community Rehabilitation Company (£12,500) and
- European Social Fund (£7,500).

These properties were completed and let at affordable rents within the Local Housing Allowance for Hull.

During 2017 Giroscope bought and renovated five long-term empty homes and began work on three further properties which had been empty for up to 17 years. Giroscope also started a project with LandAid, the property industry charity which has a primary focus on ending youth homelessness, to provide 14 bed spaces across five properties for young people who were homeless or at risk of homelessness. The total funding required was £278,773. This again was partly made up from the Council's Right to Buy Replacement Programme Grant Fund:



Above: The same kitchen before refurbishment

- LandAid grant (£40,679)
- Hull City Council Right-to-Buy Replacement Grant Fund (£88,094)
- Giroscope loan finance (£150,000).

In partnership with Vulcan Boxing Gym, Giroscope has secured funding from the Comic Relief 'Safe, Secure, Settled' fund, to support young people aged 16-25 in Hull who do not have somewhere safe and secure to live. The project will support young people into long term safe accommodation while also offering personal development and training opportunities to help them to gain the skills and resources to lead safe and positive lives.

Giroscope has grown considerably in the time we have been following them, successful and increasingly ambitious in the projects undertaken. Growth however is not without tensions and difficulties. Giroscope noted that as 'community-led' organisations scale up and age there can be tensions between the need to professionalise, in some cases by employing more skilled people and maintaining the connection to their 'roots'. Giroscope grew from a worker's cooperative with a very flat leadership model. In practice and in the absence of a structured hierarchy, management of an increasing number of staff rested with the

³⁴ Local housing allowance (LHA) is a housing benefit awarded to tenants that live in privately rented accommodation. The LHA rate that can be awarded is based on the number of bedrooms that a household needs (up to a maximum of four), not the number of rooms in the property or the amount of rent charged: <http://lha-direct.voa.gov.uk/search.aspx>

Community action on empty homes

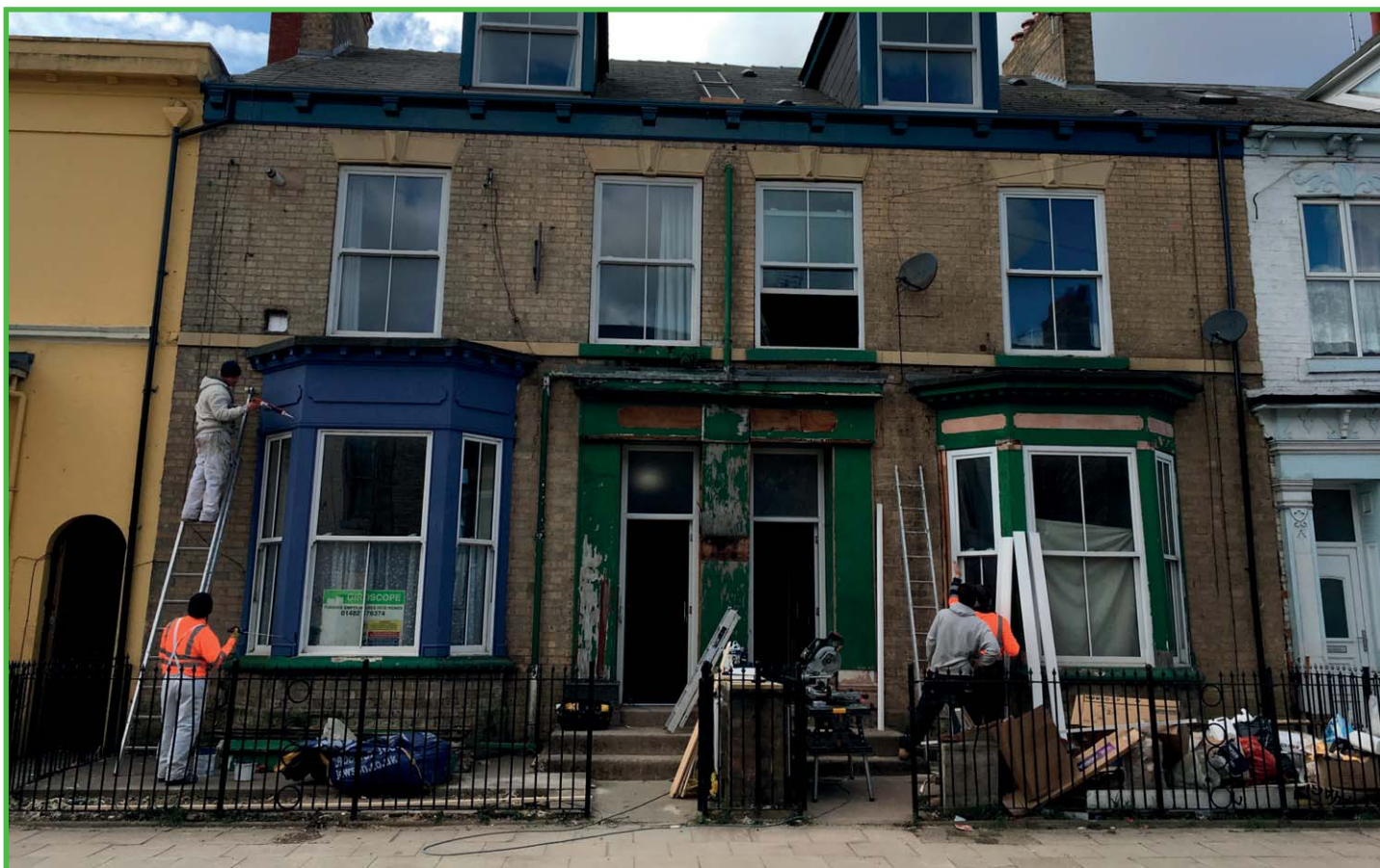
Co-founder and Coordinator. We believe these transitional phases are fundamental to the development of robust sustainable community-based organisations. Partners should recognise these evolutionary processes are integral to organisations growing in strength and competence. Support with capacity-building, operational revenue funding, sharing knowledge and resources, and importantly, streamlining administrative processes can all help community-based organisations to optimise performance, consolidate resources and continue to move forward.

Refurbishment of empty homes can be subject to Building Control, where works carried out are inspected and approved to ensure compliance with Building Control regulations. Ensuring compliance with Building Control regulations is a local authority function. Giroscope, particularly since 2017, found this service could be inconsistent. Inspections could be carried out by different members of staff, who sometimes

gave conflicting or less than constructive advice. For more recent renovation projects Giroscope has switched to using a private company to ensure works comply with Building Control regulations. Using the same company and working with the same member of staff enabled Giroscope to work more efficiently, build up trusted relationships and develop best practice.

In 2018, Giroscope and Hull City Council won the Empty Homes Network 'Empty Homes Partnership Award', an award given for partnership working between local authorities and community housing organisations. This was in recognition of their strong partnership through which they found innovative and creative ways to secure funding, refurbish and manage empty homes and to tackle neighbourhood issues. By working so collaboratively together, Giroscope and Hull City Council demonstrate how much can be achieved through effective partnerships between local authorities and community-based organisations bringing empty homes into use.

Below: Refurbishment of empty homes under the guidance of Giroscope



Groundwork in Greater Manchester

Groundwork Trust was established in 1983 as a partnership between the then Countryside Commission and local authorities, initially in North West England. The aim was to enhance and manage urban fringe areas by creating a partnership between the public, private and voluntary sectors. Groundwork in Greater Manchester (GM) was one of the first local Groundwork trusts to be created.

Groundwork grew to encompass a wide variety of environmental improvement projects, from the Pennine Way to inner-city sites. It became involved with education and training, personal development programmes and business support schemes. In 2013 Groundwork took on the delivery of programmes in Bolton and Bury, developing regeneration partnerships in these areas. This included a partnership between Groundwork GM and Rochdale Borough Council.

Through its empty homes programme, Groundwork has provided work experience and training for local people including one-to-one advice and mentoring for people aged from 16 to 25 years, and specially designed projects such as the Groundwork Prince's Trust Team programme and Talent Match. Construction training and qualifications (including apprenticeships) are delivered from Groundwork's indoor construction training area in Oldham. It also offers training and volunteering opportunities for adults to promote social inclusion and support access to work.

Rochdale is a metropolitan borough in Greater Manchester in North West England and is part of the Greater Manchester Combined Authority (GMCA). The authority is made up of the ten Greater Manchester councils working together on issues that affect the region, such as transport, regeneration, and attracting investment. Rochdale is characterised by areas of pre-1920 terraced houses.

In mid-2016, the population estimate for Rochdale was 261,165.³⁵ In 2017, the average

lower quartile house price was £88,000³⁶ and the affordability ratio was 4.76 times lower quartile residence-based earnings.³⁷ The Rochdale area was ranked in the fifth lowest decile of the Index of Multiple Deprivation (IMD) in 2015, and in the sixth decile for 'living environment'.³⁸ In 2018, 0.91% (852) of homes were recorded as empty³⁹ and there were 3,381 households on the local authority housing register.⁴⁰

Through its Housing Strategy 2017-2022, Rochdale Council aims to 'make best use of all homes' in the Borough. This includes bringing empty properties back into use and preventing occupied properties from becoming empty. The Council has brought over 2000 empty homes into use since 2012. It has used its enforcement powers, particularly Empty Dwelling Management Orders, Enforced Sales, Town and Country Planning Act 1990 s215 notices and Compulsory Purchase Orders and intends to continue with this approach. The Council has also worked closely with Groundwork (GM) to develop a community-based approach to bringing homes into use, and provided training and work experience for local people as part and parcel of the process.

The demonstration project we followed was the renovation of a large residential property, Denehurst House, into affordable accommodation for people in the local community. Denehurst House is situated in Denehurst Park and is owned by the Council. It was previously a council office and is a historical building within a well-used park. It had been empty for over five years.

Denehurst House would be leased by Groundwork (GM) from Rochdale Council initially for 20 years, at a peppercorn rent. The total scheme cost was initially estimated to be £293,000 but later rose to £410,000 when additional works were required to the roof structure and as a result renovation of the ornate façade could be completed at the same time, funded through a combination of £250,000 from the Council, and £160,000 from future rental income.



Above: Denehurst House during refurbishment by Groundwork (GM)

- 35 Office for National Statistics (2016) 'Population, Estimates for UK, England and Wales, Scotland and Northern Ireland, Mid-2016 Detailed Time Series': <http://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/bulletins/annualmidyearpopulationestimates/latest>
- 36 HM Land Registry UK House Price Index: Reports <http://www.gov.uk/government/collections/uk-house-price-index-reports>
- 37 Office for National Statistics House price to workplace-based earnings ratio <http://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningslowerquartileandmedian>
- 38 HM Ministry of Housing, Communities and Local Government: English indices of deprivation 2015 <http://www.gov.uk/government/statistics/english-indices-of-deprivation-2015>
- 39 Ministry of Housing, Communities & Local Government: Table 615: vacant dwellings by local authority district: England, from 2004 <http://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacantstats>
- 40 Ministry of Housing, Communities & Local Government: Live tables on rents, lettings and tenancies <http://www.gov.uk/government/statistical-data-sets/live-tables-on-rents-lettings-and-tenancies>



Above: Refurbishment work by Groundwork (GM)

The initial intention was to convert Denehurst House into five one-and two-bed apartments for occupation by young people leaving care. The relatively isolated location, on reflection, was thought unsuitable for this tenant group and at the time of writing there were discussions with the Armed Forces Support officer about letting the affordable homes to ex-service personnel. In addition to accommodation, there were also

plans to provide a community space on the ground floor of the house, possibly a community café. The project would deliver training and employment to up-skill and provide jobs for local people during the renovation works.

Work finally started on Denehurst House in September 2018 with a 12-week contract let (by Rochdale Council) for the works to the roof structure and the ornate façade of the property. The works were due to be completed by December 2018 but unfortunately delays to the roof works in particular has meant the scaffolding was still on the building in March 2019. This resulted in further delays to beginning the internal works to support the conversion of the house into apartments. The architect has completed the bills of quantities for the property and the tender will be released in April 2019. Achieving social value and the use of Groundwork “trainees” on the project has been written into the plan.

Denehurst House has been an ambitious project. Rochdale Council and Groundwork (GM) have worked in close collaboration and have now reached a point where the renovation works are on site. The project will doubtless continue to present challenges, however in the long view a significant historic house will have been brought into use as affordable housing for local people. We included Denehurst House in our project to demonstrate ambition and to show that community-based approaches are relevant to tackling large properties as well as ordinary family homes.

Challenges were faced directly in relation to Denehurst House however these also had knock-on effects to other areas of business for Groundwork (GM).

With respect to Denehurst House, it has taken five years from concept to delivery and has been a challenge and although capital works have begun, who will live in the property remains undecided. Starting conversations with the veterans has been the most significant development in recent months as it is the first time that a specific use for the empty property

has been supported by all parties and has a solution that all parties feel can work. Switching focus from care leavers took a considerable amount of time and effort in tracking down and talking to specific organisations and groups who may or may not want to be a part of the project.

A further challenge for Groundwork (GM) was the proposal to use the ground floor of the property as a community facility and that provision should be wrapped in with the lease of the house as a whole. There was no existing business plan in place for community use and there had been no market research to evidence the viability of a community space or café in the location. Groundwork (GM) had no experience of developing and operating community schemes and thought this aspect of the overall scheme presented them with unfamiliar risk, to be carried alone. The nature and use of the space remain unresolved and continues to cause uncertainty for Groundwork (GM) although they are now in talks with several potential operators of the café.

A potential balance to this risk is that since plans to renovate Denehurst House were developed, Denehurst Park has received significant investment particularly since mid-2018. This includes provision of the Borough's first inclusive play area for children of all abilities, new footpaths, improved drainage, an orchard and a wildflower meadow. When the concept for the house was drafted none of the surrounding area was considered. It is now part of a wider scheme to redevelop the park, to restore it to its former glory and help improve the health and well-being of the community. The park improvement works have attracted a grant of over £98,000 grant through the Landfill Communities Fund, match funded by Rochdale Council.

There have been wider challenges for Groundwork (GM). The slow progress made with Denehurst House presented 'work-and income-flow' difficulties as management, staffing and training resources identified for the Denehurst House development plan were underused. To address this, Groundwork (GM) worked in collaboration with Rochdale Council

and neighbouring authorities to identify further empty homes to return to use. Over the period of our project, Groundwork (GM) brought 17 empty homes into use, with an additional property undergoing refurbishment. To achieve this, Groundwork (GM) has raised additional funding of £434,783, of which 42% has been reinvested from its own rental income stream from empty homes brought back into use. Rochdale Council contributed 48% of the total, with the remainder being found from funding bodies and private works.

Retaining staff when planned works are stalled has been a challenge faced by a number of the demonstration projects. Lack of financial support for management when properties are not being delivered became a challenge as they continued to drive forward a programme of works without key staff in place. This led to further delays while vacant posts were backfilled. As an overall business, Groundwork (GM) does not yet have the number of existing rental properties to support a delivery team without additional income received from capital works taking place to renovate the empty homes.

Staffing levels at Rochdale Council also became a challenge to progress. There were delays in properties being passed through from the Council and other local authorities for refurbishment even though there are very positive partnerships in place and commitment to collaborate. Local authorities are under increasing pressure to continue to deliver services and statutory duties with fewer staff and, for example, Groundwork (GM) received the identity of two properties to be passed to it during summer 2018 but it was March 2019 before the first lease was received. We believe the decreasing staffing resources within local authorities serve to highlight the need for a dedicated Government-led empty homes programme, delivered in partnership with local authorities but not drawing on their existing staffing and capital resources. Even those councils keen to work with community-based organisations are struggling to keep up momentum and enable schemes to progress on schedule.

Right: Denehurst House with external works completed. Internal refurbishment continues.



The Groundwork (GM) project in Rochdale has also highlighted the need for coherence in local authority empty homes strategies. Rochdale

Council has a proactive approach to supporting owners of empty homes to ensure properties are brought into use. One option is for owners to sell the property. However, while this has been relatively successful there seems a gap in policy concerning those who then buy the properties. In the absence of financial assistance to ensure proper renovation works, some new owners carry out limited refurbishment before letting homes in a poor condition. Rochdale, like many other local authorities, has a large private rental sector. Through Groundwork (GM)'s wider activities such as energy efficiency programmes, it is finding an increasing number of privately rented properties that have poor maintenance programmes. Dedicated support funding from Government would help to prevent this practice as owners, old or new, would receive assistance to provide safe affordable homes for those who most need them. Groundwork (GM) found there had been a low turnover of tenants from those properties refurbished under the EHCGP where rental rates are lower and the properties were refurbished to a good standard.



Left: House refurbishment in progress by Methodist Action North West

Methodist Action North West

Methodist Action North West (MANW) is an independent charity created in 2010, based in Preston, Lancashire. MANW aims to tackle multiple disadvantages — homelessness, inadequate housing, poor health, worklessness and poverty. Its vision is to provide those in need with access to safe, secure and sustainable places to live and thrive.

In 2012, MANW started to bring empty homes into use to provide affordable housing and support wider opportunities for communities through the Empty Homes Community Grant Programme funding (EHCGP).⁴¹ By 2015 MANW had leased 107 properties (222 bedrooms) and refurbished them to bring them back into use. In doing so, it provided accommodation for over 250 people who needed an affordable home. The average length of time these properties had been empty was three years. MANW has developed a 'one-stop shop' solution for empty home owners. It leases properties from them, manages the refurbishment works and lets the properties at affordable levels based on local housing allowance rates. MANW developed a model to 'recycle' any grant funding to bring further

properties into use. Empty homes are leased from owners and the cost of refurbishment is deducted from rent payments for reinvestment, thereby extending the benefit of the grant and size of the property portfolio held by MANW. MANW also deducts its management fee from rental income.

Darwen is a post-industrial town within Blackburn with Darwen UA in Lancashire, characterised by areas of pre-1920 terraced houses. In mid-2016, the population estimate for Blackburn with Darwen was 147,049.⁴² In 2017, the average lower quartile house price was £74,000⁴³ and the affordability ratio was 4.37 times lower quartile residence-based earnings.⁴⁴ The Darwen area was ranked in the second lowest decile of the Index of Multiple Deprivation (IMD) in 2015, and in the lowest decile for 'living environment'.⁴⁵ In 2018, 1.97% (1,203) of homes were recorded as empty⁴⁶ and there were 3,381 households on the local authority housing register.⁴⁷

In 2016, Blackburn with Darwen Council and MANW began to work together to bring empty homes into use, primarily as shared housing for young people. The local authority at that time lacked funding to support the scheme, however

- 41 The Empty Homes Community Grants Programme (EHCGP) was part of the Coalition Government's Empty Homes Programme which ran from 1st April 2012 – 31st March 2015. The Programme provided access to public funding from the Department of Communities and Local Government to local community-led housing organisations to bring empty homes into use.
- 42 Office for National Statistics (2016) 'Population, Estimates for UK, England and Wales, Scotland and Northern Ireland, Mid-2016 Detailed Time Series': <http://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/bulletins/annualmidyearpopulationestimates/latest>
- 43 HM Land Registry UK House Price Index: Reports <http://www.gov.uk/government/collections/uk-house-price-index-reports>
- 44 Office for National Statistics House price to workplace-based earnings ratio <http://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningslowerquartileandmedian>
- 45 HM Ministry of Housing, Communities and Local Government: English indices of deprivation 2015 <http://www.gov.uk/government/statistics/english-indices-of-deprivation-2015>
- 46 Ministry of Housing, Communities & Local Government: Table 615: vacant dwellings by local authority district: England, from 2004 <http://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacantstats>
- 47 Ministry of Housing, Communities & Local Government: Live tables on rents, lettings and tenancies <http://www.gov.uk/government/statistical-data-sets/live-tables-on-rents-lettings-and-tenancies>



in March 2017 MANW secured a capital grant of £85,000 from LandAid for empty property refurbishment. The aim was to deliver 12 shared rooms from five or six empty homes. In May 2017, the local authority introduced a selective licensing scheme in Darwen which complemented their partnership with MANW, reinforcing the duty of landlords to manage their property responsibly and discouraging them from leaving properties vacant. Some of the empty properties targeted to be brought into use are within the selective licencing area.

Building on the success of the initial MANW scheme, Blackburn with Darwen UA began a pilot project of their own, extended to also include Blackburn. They invested £100,000 to bring a minimum of 10 family homes into use providing general needs housing for approximately 20 tenants.

To date MANW has refurbished five properties across both projects, providing seven shared bedrooms and five bedrooms in self-contained accommodation. They are currently beginning the next property refurbishments for completion in early summer 2019. This will bring three 3 bed and one 2 bed empty homes into use.

MANW work in partnership with a local building contractor which has strong roots in the community and links to the local 6th form college. So far 18 young people have received vocational training and work experience on site, and there are two active apprenticeships in place.

These two projects have not been without challenges. In common with the other projects

Left: Bathroom after refurbishment by Methodist Action North West

we followed, staffing resources can become stretched as more properties are refurbished. Properties brought into use are also brought into management which means the demands on staffing grow at both ends of the process. MANW has undertaken a restructure to better manage their workload. They have noted, however, much of the funding available to them is capital funding relating to properties and there is a shortage of core revenue funding to enable community-based projects to keep pace with growing portfolios. The absence of upfront revenue funding presents what MANW has described as a 'catch 22' for community-based organisations, as their portfolio grows they reach the limit of existing staff capacity. In order to take on additional staff, they would need to increase their rental income by taking more homes into management. However, without revenue grant support they lack the capacity to do so.

A further challenge has been retaining a strategic approach to targeting properties, based on their location and suitability for meeting identified housing needs. The temptation can arise to be opportunistic, working with cooperative owners rather than tackling clusters of 'difficult' properties. This can lead to 'pepper-potting' of properties, which adds to management costs and may not deliver appropriate homes where they are needed. It has been our experience that community-based projects bringing empty homes into use are concerned with delivering secure affordable housing for local people from existing houses standing empty and being wasted. They are also concerned to improve the living environment for local people, to provide work

experience and training and support local enterprise, and by doing so to help address persistent underlying issues. They have a holistic view, and do not see empty homes in isolation. In many local authorities, empty homes are regarded only from a housing perspective. This misses the wider opportunity to harness resources from across the authority to deliver against a range of priorities, to engage in wider partnerships and by being strategically proactive, to invest to save.

A further challenge MANW faced has been encouraging owners to lease their properties for refurbishment and letting. Although providing a tenancy management service can provide sufficient reassurance for some owners of long-term empty homes, others seem not to care their property is empty and prefer to leave it this way rather than engage with an organisation like MANW or let it privately. This can be hard to overcome. Blackburn with Darwen UA supports MANW, with some effect, by clearly stating that the community-based approach is the final option to bring the property back into use before formal legal action is pursued.

This refusal to engage illustrates the 'risk equation' described above (*see page 4*). The owner holds the property for their own purpose with little regard for the financial impact for public services or for the local community. MANW has proposed a section 106-type levy and enforcement scheme for long-term empty properties, in addition to council tax, to target those owners who persistently refuse to renovate or sell their empty home. Funds raised would then be directed into local empty homes resources or towards community-based projects.



Above: A typical empty home before refurbishment

North Ormesby Community Land Trust

North Ormesby developed as part of the expansion of Middlesbrough in the 1850/60s to provide housing for workers in the growing iron and steel industries. It is made up of primarily terraced houses on a grid-like pattern of streets. Following a long period of economic decline and community fragmentation North Ormesby has a relatively high concentration of empty homes. In mid-2016, the population estimate for Middlesbrough as a whole was 140,398.⁴⁸ In 2017, the average lower quartile house price was £78,000⁴⁹ and the affordability ratio was 4.34 times lower quartile residence-based earnings.⁵⁰ North Ormesby was ranked in the lowest decile of the Index of Multiple Deprivation (IMD) in 2015, and in the second lowest decile for 'living environment'.⁵¹ In 2018 in Middlesbrough 1.6% (1,016) of homes was recorded as empty⁵² and there were 2965 households on the local authority housing register.⁵³

Middlesbrough Council recognised the challenge faced by areas of deprivation and poor housing. In its current Housing Strategy (Middlesbrough Housing Strategy 2017–2020⁵⁴) the Council understands that previous approaches to neighbourhood regeneration such as large scale demolition and area renewal are no longer viable. It seeks to create a 'tipping point' at which the private sector landlords and homeowners in poor quality areas have the confidence to invest and to see the value in establishing a more stable community. While achieving this, the Council aims to focus on ensuring that community aspirations remain central and the pace of progress is driven more by the community themselves. They have adopted this approach in North Ormesby.

North Ormesby Community Land Trust (CLT) is part of North Ormesby Neighbourhood Development Trust (NONDeT),⁵⁵ an established community-based organisation founded in 1998 as a regeneration partnership. NONDeT has provided a range of community support and engagement services for local people over many years, including an advice and information

service, a community shop, a play group and a community broadband scheme. In 2014, the North Ormesby area received significant funding through the National Lottery Big Local fund and following community consultation the North Ormesby Big Local Partnership was formed.

Community consultations carried out by the North Ormesby Big Local Partnership in 2014 highlighted poor quality privately rented housing and empty homes as key priorities for action. Of the Big Lottery funding allocation to the area, £150,000 was dedicated to setting up North Ormesby Community Land Trust (CLT). An independent board made up of people from a range of backgrounds and professions was established to manage and oversee the policies of the CLT. The development of North Ormesby CLT ran in parallel with work being undertaken by the Council and a housing association, Thirteen Group, to address problems caused by poor quality housing in the area. North Ormesby CLT joined this partnership. Common aims, policies and housing standards were agreed to improve housing conditions for local people. In January 2016, Middlesbrough Council introduced a Selective Licencing Scheme to address low housing demand, persistent anti-social behaviour and to improve social and economic conditions in the area.

For North Ormesby CLT, the initial aim was to purchase six empty homes from a local housing association which had consolidated its portfolio and no longer required the houses. These properties were secured for £80,000, below market value. The housing association concerned had to secure agreement from the then Homes and Communities Agency (HCA) and the Charity Commission to transfer existing social housing to North Ormesby CLT, a process which took many months. North Ormesby CLT also applied, through Thirteen Group, to HCA for access to the Housing for Rent grant funding for renovation works, and again many months were devoted to establishing eligibility for the scheme. The amount applied for was based on £24,500 per property to bring them up to locally agreed letting standards.

- 48 Office for National Statistics (2016) 'Population, Estimates for UK, England and Wales, Scotland and Northern Ireland, Mid-2016 Detailed Time Series': <http://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/bulletins/annualmidyearpopulationestimates/latest>
- 49 HM Land Registry UK House Price Index: Reports <http://www.gov.uk/government/collections/uk-house-price-index-reports>
- 50 Office for National Statistics, House price to workplace-based earnings ratio <http://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningslowerquartileandmedian>
- 51 HM Ministry of Housing, Communities and Local Government: English indices of deprivation 2015 <http://www.gov.uk/government/statistics/english-indices-of-deprivation-2015>
- 52 Ministry of Housing, Communities & Local Government: Table 615: vacant dwellings by local authority district: England, from 2004 <http://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacantstats>
- 53 Ministry of Housing, Communities & Local Government: Live tables on rents, lettings and tenancies <http://www.gov.uk/government/statistical-data-sets/live-tables-on-rents-lettings-and-tenancies>
- 54 Middlesbrough Borough Council <http://middlesbrough.gov.uk/planning-and-housing/middlesbrough-housing-strategy-2017-2020>
- 55 North Ormesby Neighbourhood Development Trust <http://www.nondet.org.uk>
- 56 <http://middlesbrough.gov.uk/planning-and-housing/landlord-and-tenant-support/selective-landlord-licensing-scheme>

In mid-2017, the housing association properties were transferred to North Ormesby CLT, Housing for Rent funding was secured. Over the following year, these properties were renovated and brought back into use, with some further technical and financial assistance from Thirteen Group. Initial refurbishment work was procured by contracting with a partnership of local community-based agencies to also deliver training and work experience for local young people. This partnership involved Community Campus 87, Open Doors and East Cleveland Youth Project. The completed homes included new electrics, damp-proofing, central heating, fully fitted kitchens and carpets throughout. Tenants also gained free connection to the NONDeT local broadband service. North Ormesby CLT oversaw the refurbishment work by the local CLT's, which included training and work experience for young people. Using this approach, the work, funding and on-site training provided was all done through the local voluntary sector.

NONDeT and the CLT have grown as organisations and by May 2018 had moved to larger premises opposite the central market place in North Ormesby. NONDeT also took over management of the street market as part of broader regeneration works in the area. For the first year of the CLT, Middlesbrough Council seconded two private sector housing staff to the CLT for one day a week, to address private sector property condition and deliver the selective licencing scheme.

The CLT has grown in other ways. It has established a social lettings agency, to manage its own stock and to offer housing management services to currently 10 local private landlords. There is increasing take-up from landlords in the area. North Ormesby CLT manages nine properties where owners have made use of the Council's Refurb and Rent Scheme. Under this Scheme, owners of empty homes, vacant for over six months, can apply for up to £16,000 of match grant funding per property for renovations. In return they are required to lease their property to a management organisation for a five-year term, and at an affordable rent. The



Left: An empty home before refurbishment by North Ormesby Community Land Trust

owner receives 87% of all rental income collected. North Ormesby CLT has recently secured a five-year contract from the Council to manage up to 30 properties that have been brought into use through this Refurb and Rent Scheme.

Challenges continue to arise. North Ormesby CLT have initial stage plans to provide some form of supported tenancies for ex-service personnel. The CLT would deliver the housing from empty homes, with support provided by a national mental health organisation. It was offered the opportunity to purchase three empty properties which were for sale but was unable to secure sufficient grant funding to do so. A revenue funding application was submitted to a national charity for a grant to provide housing support services however the outcome remains unclear. In the absence of coherent government funding for bringing empty homes into, community-based organisations face piecing together packages of funding on a project by project basis. Apart from the time involved in researching and completing multiple bids, each funding source typically has its own identity with specific targets outcomes, timescales and reporting requirements. Patching them together especially where match funding is expected can present a significant drain on resources. We have seen the scale of this task and noted that access to complementary core revenue funding is very limited. In addition to supporting the management of a growing portfolio, we think consideration should be given to the inclusion of a revenue element alongside capital grants, to help fund delivery of specific projects and contribute to the operational costs involved with

bringing further empty homes into use. This would build on the investment made by ensuring the long-term sustainability of community-based organisations delivering affordable housing from empty homes.

Timescales have also presented challenges for North Ormesby CLT. Community-based organisations can sometimes respond quickly to short deadlines however like most organisations they have programmes of work and allocate resources to delivering these. In late 2018, the CLT was offered grant funding by a housing association to refurbish three empty homes in a very short time period. This would have been an opportunity to bring forward affordable housing for community use, however the CLT was not able to organise and complete the work within the required timeframe. While there are

occasions where rapid responses are required, community-based organisations in common with many other organisations normally fully commit available resources. Forward planning allowing sufficient time for scheduling of works can make the difference between an opportunity being grasped or lost.

Rental income is the primary source of revenue for most community-based organisations. It supports cash flow. Rent arrears have caused some financial difficulties for North Ormesby CLT. This has been particularly so since the advent of Universal Credit which can delay or disrupt rent payments. Equally, credit and reference checks are mandatory in the North Ormesby area and, as the strain on household incomes grows, prospective tenants are increasingly unable to satisfy these checks. A 'revenue reserve' is required by community-based organisations which would enable them to better manage variations in rental income. Some funders recognise the need for core operational funding. Virgin Money has recently agreed a revenue grant to North Ormesby CLT to assist with running costs in 2019-20.

North Ormesby CLT is now actively pursuing becoming a registered provider through Homes England Regulations. This would enable it to secure funding to purchase and let more properties. The CLT intends to register as a wholly owned subsidiary of North Ormesby Development Trust. This would also protect the interests of both companies and simplify the housing model.

Throughout its development, North Ormesby CLT has worked in close collaboration with Middlesbrough Borough Council, Thirteen Group and other partners. The CLT has also assisted other CLT's to use the funding mechanisms it has established to improve the quality of their properties. This shared vision has enabled both the local authority and the community to achieve ambitious aims and to address persistent underlying issues in the North Ormesby area. Coordination of activity has been effective, with good communication between all involved.



Right: A kitchen after refurbishment by North Ormesby Community Land Trust

Achieving change

Achieving change is not without its challenges. Although each community project is unique, we looked at the barriers commonly faced by community-based projects and at how these could be overcome:

1. Expectations and capacity It has been our experience that the more all partners understand what can reasonably be expected from each other and their respective capacity to deliver, the fewer difficulties will arise.

For example, Cultures CIC was an established community organisation before beginning to meet housing needs by bringing empty homes into use. Housing law, health and safety regulations, and scheduling renovation works, were a steep learning curve and resulted in potentially avoidable delays. Cultures CIC recognised their need for 'capacity-building' however, without the required knowledge, were unable to prepare for these challenges and were unclear of where to get support.

Methodist Action North West had extensive experience of property renovation, leasing and letting but before starting to work in Darwen, but had limited experience of formal partnerships with vocational training colleges. Lack of technical knowledge or experience does not mean a lack of potential. Recognising areas for development informs any capacity-building required.

Providing knowledge and support can smooth away potential difficulties and delays before they arise. Middlesbrough MDC has successfully done this working in partnership with North Ormesby CLT. The Council

seconds staff with expertise in private sector housing and lettings on a part-time basis to help deliver area improvements and to develop knowledge and skills within the CLT.

2. Decision-making The demonstration projects are each operated by relatively small multi-disciplinary teams. There are specialisms but because the teams are small, decision-making is generally collaborative. Once all relevant information has been garnered, a decision can be made. This contrasts with the decision-making procedures within larger bureaucratic partners, where decision-making can be a slow process especially in relation to legal and financial matters. The pace of decision-making is important. Too fast and one or other partner may not be prepared, too slowly and partners may begin to lose momentum.

Progress can be best supported when decision-making by community groups and their partners is timely and in concord i.e. made when needed to deliver next steps rather than being driven by detached timetables, all parties understanding the implications for the others of delay.

3. Funding Access to funding is a constant challenge, however where funding is available to support bringing empty homes into use it can be complex to apply for and many community-based groups find themselves to be 'ineligible'. In the absence of a coherent national funding framework for empty homes, the projects we followed all 'pieced together' parcels of funding from different sources to bring forward affordable homes, sometimes on a property by property basis.

Achieving fully funded business proposals for the acquisition, renovation, letting and management of empty homes requires time, resources and skills. Each potential funding source is subject to its own specific criteria being met, its own timescales and its own performance reporting and accounting requirements. It is not uncommon for individual renovations to be supported by funding from three or four different sources, often combining loan finance and a number of grants.

Access to coherent funding is a particular challenge for community-based projects which are not, or do not want to become, registered housing providers (RHP).⁵⁷ For many this would require establishing a separate business arm which the extent of their involvement with housing would not justify. Others do not want to become subject to the reporting and controls required by registration.

It is sometimes possible to resolve access to funding by working in a supportive partnership with a RHP, which Cultures CIC and North Ormesby CLT have done. This option is however not an option available to all community groups and can render community groups reliant on and subject to any conditions within the partnership, rather than being able to remain autonomous.

4. Essential services Lengthy delays in connections to essential services, specifically gas and electricity supplies, has been a persistent concern for the projects we followed. As with most small enterprises, community-based organisations hold very little in reserves. Funding is structured around a business plan and community-based housing projects schedule commencement of rental income as a core part of their financial planning.

Delays in the connection of essential services holds up overall completion dates with the consequent impact on cash flow can cause significant, sometimes critical, difficulties.

5. Contractors The demonstration projects each had a positive experience of working with contractors willing and able to provide on-the-job training and mentoring. There can be a tension between ensuring the works are completed on time within the business plan while accommodating the training and development needs of sometimes quite vulnerable people.

For some, such as North Ormesby CLT, this involved an extended process of careful commissioning with partners to attract and engage suitable local firms able to offer training and meet renovation deadlines. As they expand, Giroscope has reported some emerging difficulties finding additional contractors able to meet their overall requirements particularly to support vocational training and apprenticeships. Through our Campaign for Community Investment,⁵⁸ we aim to work with the construction industry and colleges to encourage the development of delivery models which can better accommodate work experience and training on community-based projects.

How can local authorities support community-based approaches?

While local authorities with areas of high levels of empty homes recognise the broader impact for local communities, approaches to bringing properties into use remain focussed on individual casework with owners. This targeted work is valuable and in some areas can be effective, but it can also take a great deal of time – years in some cases – and uses significant staffing and financial resources. It does not deliver the real change communities need.

We now question whether the best use is being made of local authority resources, and whether other potential resources are being missed. Local authorities have a vital role to provide clear strategic leadership, to support and enable bringing empty homes being brought into use, and where appropriate to use their statutory powers in a direct and meaningful way.

⁵⁷ The general name for not-for-profit housing providers approved and regulated by Government through Homes England <http://www.gov.uk/government/organisations/homes-england>

⁵⁸ The national Coalition for Community Investment in areas with high levels of empty homes: Campaign for Community Investment <http://www.actiononemptyhomes.org/campaign-for-community-investment>

1. Work with the whole picture We found that many local authorities work in isolation to tackle empty homes, rather than embracing partnered approaches, including partnering with local communities. In the projects we followed, local communities, effectively organised and supported, were the most capable agents and resource to bring a wide range of empty homes into use, helping to meet local housing needs and, in addition, having a positive impact on property conditions in the private rented sector as a whole.

2. Build balanced and sustainable communities The projects we followed deliver affordable housing for local people from the empty homes they bring into use. They work closely with prospective tenants and welcome residents into an existing and diverse community context. They support inclusion through community-based schemes, local enterprise and both formal and informal support networks. They build community infrastructure and by doing so can begin to finally address enduring underlying issues. It is important that local authorities and other statutory partners respect the essential integrity of this work by enabling communities to define themselves, and to pursue solutions that work for them. This is not to say to work without challenge, more that a local authority can support community action by acting as a 'critical friend', by offering mentoring and a 'knowledge bank' where needed, and support in kind as well as financial resources.

We emphasise the importance of building balanced and sustainable communities because we are aware of community-based groups, including some of those we followed, who have brought empty homes into use with the support of local authorities not to meet local housing needs but primarily to increase the supply of temporary housing for homeless households and to provide housing options for households the local authority has a duty to assist. While this can deliver much-needed accommodation for households in

the direst of housing need, looking at the whole picture, at the whole experience of community life and stability, replacing concentrations of empty homes with concentrations of displaced vulnerable households may not deliver a positive recipe for ongoing community regeneration and regrowth. It is our experience that communities embrace diversity and welcome households of all types: balance is the key to sustainability.

3. Invest and support Local authorities are important sources of capital funding for community-based groups bringing empty homes into use. Some authorities, for example both Leeds and Hull City Councils, invest Right to Buy receipts⁵⁹ to support Giroscope and other organisations working in specific areas of Hull, enabling them to purchase, refurbish and let previously long-term empty homes.

Direct capital funding is not however the only way local authorities can support community initiatives. The Hull Empty Homes Partnership, established by Hull City Council in 2012, agreed a strategy to achieve maximum impact and value from the funding available. As well as tackling empty properties, the Council delivered frontage improvement schemes and external solid wall insulation schemes which further enhanced the neighbourhoods and provided improved energy efficient housing stock. The City Council also undertook a range of complementary activities to address other neighbourhood issues. This included enforcement action against private landlords who were not maintaining their properties adequately; taking action against anti-social behaviour and fly-tipping; organising 'bring out your rubbish days'; and they worked with the Police and the Fire Service to improve community safety and implement fire prevention measures.

Local authorities are also important strategic partners, to support funding bids made by community-based empty homes projects to

⁵⁹ Ministry of Housing, Communities and Local Government: Use of receipts from Right to Buy sales <http://www.gov.uk/government/consultations/use-of-receipts-from-right-to-buy-sales>

funding bodies. The local authority may make no financial contribution. For example, Methodist Action North West's (MANW) scheme in Darwen has been funded primarily through a grant from LandAid. Blackburn with Darwen Council provided strategic context and support for the bid and is working closely with MANW to deliver the empty homes project, however it did not make a direct capital contribution. In excess of £86,000 of new funding was levered into Darwen for the renovation of empty homes, with the local authority acting as a key strategic partner rather than a funder.

4. Get strategies and policies aligned Local authorities are complex organisations, responding to and driving forward many aspects of community life. Communities are that complex life. Regarding empty homes as a purely housing or enforcement concern focusses attention on one small part of a much larger picture. The impacts and pressures for communities of living in areas with high levels of long-term empty homes result in impacts and pressures for many sectors of local government, not just housing. The shortage of appropriate affordable housing also impacts across local authority directorates, not just housing. Groundwork GM engage young care-leavers in work experience and training while bringing empty homes into use. The homes created can provide secure shared accommodation for care-leavers. People leaving prison or in recovery are being supported to gain skills and to settle into stable lifestyles by Giroscope in Hull. North Ormesby CLT provides housing with support for people with mental health challenges, and Cultures CIC provide access to education and English language tuition in Stockton on Tees for people newly arrived in the UK.

Recognising the full potential of empty homes brought into use by communities who want and value them as homes for local people can present a challenge across local authorities. Unless the overall corporate strategy understands how much can be

achieved and how to draw resources together, the opportunity to generate community-based outcomes can be missed, along with opportunities to 'invest to save' across different service areas: strategies and policies should link the jigsaw pieces together. Where, for example, consideration is being given to enable people to leave any kind of institutional setting, rather than trying to find individual accommodation for each person, we promote thinking how partnering with a community-based empty homes group, people could develop work experience and life skills, be involved with creating affordable homes for themselves and for others, and move from care or prison, rehab or hospital into a supported community setting.

5. Council Tax charges on empty homes awaiting refurbishment Each of the demonstration projects we followed reported the additional burden of cost arising from Council Tax levied on empty homes awaiting refurbishment and awaiting letting. Community-based schemes bringing empty homes into use while offering training and work experience and providing engagement opportunities for local or vulnerable people should be recognised for delivering community benefit. We call on local authorities to exempt empty homes owned or leased by community-based organisations from Council Tax.

6. Intensive Housing Management Business risks and housing management costs for community-based housing providers can be significantly higher than for mainstream housing. Effective management of risk is integral to the sustainability of community-based approaches to bringing empty homes into use, whether owned or held on lease. We call for an approach to assessment of Intensive Housing Management that recognises the high level of housing management required to ensure previously empty homes are properly managed, that the investment made in them is protected, and that the tenancies of those who occupy them

are sustained. It follows that Intensive Housing Management is the norm, not the exception.

7. Building control Works to refurbish empty homes can be subject to Building Control, requiring inspection and certification to ensure compliance with Building Control regulations. Consistency of service and of advice given is essential to ensure standards are maintained and delays are avoided. We recognise local authorities have been subject to significant funding cuts over recent years, however, the development of efficient and effective working relationships can make better use of resources all round. We ask that local authorities remain alert to the potential impact of operational inconsistency and delays for community-based organisations and ensure their staff are supported to develop constructive working relationships, committed to bringing empty homes into use as affordable housing for local people.

How can funders support community-based approaches?

1. See the whole picture We found that many funding bodies work in isolation and allocate funding directly in line with their own priorities and target groups. Looking across the funding sector, there are many parallel streams where funding is focussed on specific needs or specific activities. All this funding, however, usually inhabits the same world, coexisting but not collaborating. We call on funders to review the 'picture' they see, to develop an expansive vision of how much more could be achieved should, for example, a body which supports mental health projects put funding together with a body supporting community-led housing, and both saw the health and housing outcomes that can be achieved through bringing empty homes into use.

2. See the organisation being funded The organisations we followed were, like most community-based groups, relatively small in

relation to the work undertaken and the projects managed. Most staff members had multiple roles, highly competent but short of time. We recognise that funding bodies must be accountable and undertake due diligence before releasing funding. In relation to community-based organisations, we contend that 'due diligence' should reflect a balance of reasonableness, proportionate to the level of funding and should recognise that risk can be most effectively managed through on-going partnership working rather than by setting the hurdles at challenging angles at the outset. We ask that funders look more closely at how they can ensure their funding application processes are made more accessible to community-based housing providers, particularly in terms of the time taken and evidence required for completion.

3. Risk management through partnership

When funders and community-based organisations come together and agree funding, it is generally because they aim to achieve shared outcomes. Rather than managing project risks through complex application and reporting processes, funders are well-placed to ensure the risks associated with their investment are managed effectively by working more closely alongside community-based organisations. This could be through capacity-building such as offering training, providing mentoring, establishing support networks or by temporarily seconding staff. A project driven by the ability to excel can deliver far more than a project driven by compliance with performance reporting. We recognise both approaches may be required but call on funders to do more to recognise the opportunities they have to develop as well as to fund communities bringing empty homes into use.

4. Capital works are revenue led People bring empty homes into use. It has been highlighted throughout this report that as community-based organisations grow and become more successful, the balance of their resources changes. When beginning, the projects we followed had few homes in

management and enough people to lead capital projects forward. Although rental income provides some revenue, this may simply keep pace with operational costs, such as programmed maintenance, tenancy management and on-going administration.

To grow, to negotiate with owners, develop partnerships, apply for funding and bring more empty homes into use, community-based organisations need additional revenue as well as capital. We ask that funders review the revenue implications associated with capital funding and either consider incorporating a percentage of revenue to support delivery, or partner with another funder better able to provide revenue funding.

- 5. Funding for new organisations** Of the organisations we followed, one aims to become a community land trust (Sincil CLT), one is now pursuing becoming a registered provider through Homes England (North Ormesby CLT) and one is now exploring models to establish a community-led housing organisation such as a community interest company (Cultures CIC).

Although limited dedicated funding may be available for example through the MHCLG Community Led Homes Start Up Support Programme, this may not help existing organisations to formalise or change their business structure. We call on funders, including central and local government to make funding available to enable community-based organisations bringing empty homes into use evolve into registered and/or charitable bodies. This would support their longer-term sustainability and also enable access to a wider range of funding sources.

- 6. Recognise the value of small amounts of funding** Small amounts of funding can help emerging community-based organisations visit similar projects, attend training courses and conferences, develop effective partnerships and support networks and build the momentum required to formally constitute and begin to bring empty homes into use.

- 7. Positive options for owners** It has been our experience that when trying to work in partnership with community-based organisations to bring empty homes into use, some owners find prohibitive conditions within their mortgage agreements. These conditions may not allow for example the lodging of a second charge against the property, or leasing the property to enable renovation works to be carried out followed by a period of renting. Mortgage conditions which frustrate homes being refurbished and then brought into use as affordable housing seem to us to be counter-intuitive. Homes that stand empty for long periods deteriorate and lose value. We ask that in these circumstances, mortgage lenders adopt a pragmatic approach and negotiate ways forward with owners, to enable progress to be made.

Owners may also have limited access to mortgage or other loan and grant funding for renovation. We call for greater availability and flexibility of funding at affordable rates to enable the owners of empty homes, including those where properties are in considerable disrepair, to renovate and restore homes to use.

Positive thoughts for communities

- 1. Focus in on your community** Typically, areas with high levels of empty homes also experience a wide and diverse range of other issues and concerns. Issues such as poor housing, poor health, low incomes, a poor environment are usually perceived and addressed in isolation from one another by different organisations and different teams within the same organisations. The view from 'the top' is fragmented. When put together as a whole, the task of addressing each concern can seem unmanageable. We have found that by focussing in and looking at a community or area from the ground up it's possible to create a more manageable and more detailed understanding of how things are working, or not working, for communities and the people within them. The ground-up approach also helps to

generate conversations exploring real lives and experiences, which helps to directly inform collaborative planning for change and investment. We have seen that although every community is unique, common themes emerge: the impact and perceived waste of homes standing empty; the need for secure affordable housing for local people; difficulties overcoming barriers to work and training; concerns about overall health and well-being; fear of crime; and a sense the community is failing to thrive. As the projects we followed have shown, each of these concerns can be addressed through structured and well-planned community-based approaches to bringing empty homes into use.

2. Look at what has been achieved elsewhere

Community-based projects have small beginnings, even the ones which are now established and continuing to grow. It can be very helpful to visit and talk to people and organisations about their experience, in

particular how they started off. Many community-based projects bringing empty homes into use did not start with housing. Cultures CIC for example began with an annual food and cultural event – ‘Taste of Africa’ – intended to facilitate better integration new entrants to the UK into the wider community by sharing African food, music, art and culture with the established community of Stockton on Tees. Over time, Cultures CIC sought to address the housing needs of new entrants and began their journey bringing empty homes into use through a small pilot project. Methodist Action North West began by working with street homeless people in Preston and again over time recognised that by bringing empty homes into use they could directly provide secure affordable housing options for homeless people, many of whom had complex needs, had restricted access to social housing and could be vulnerable in the private rented sector.

Below: Kitchen refurbishment training by North Ormesby Community Land Trust



3. Understanding how bringing empty homes into use can help your community

Through the process of bringing empty homes into use, local people can be offered access to work experience and training; through mentoring or simply working alongside others, people can develop their social skills and confidence; and people in recovery, or with mental health difficulties or moving away from the criminal justice system can re-establish a positive role in community life. The outcome of property renovations can be secure affordable homes, and an improved more stable living environment, and can also deliver premises for local community services and business enterprise. Each of the projects we followed saw a wider picture than just empty homes brought into housing use. They built the case for funding investment by showing how many issues could be addressed and outcomes achieved in their community through the process of renovation as well as by delivery of the finished affordable homes.

4. Encourage empty homes owners to partner with your community We have found that in some areas, owners of empty homes are more willing to work alongside communities than to engage with local authorities and other statutory bodies. This may be because communities can demonstrate a direct link between a home brought into use and the benefit to local people. Many community projects offer a

wrap-around service including making applications for funding contributions for renovation works and direct or indirect supervision of works on site. They also carefully select prospective tenants and provide housing management services and tenancy support activities which can help reduce any perceived risk from letting. Methodist Action North West provides just one example: through its access to grant funding, its management of property renovation and then its housing and tenancy management service, MANW is encouraging increasing numbers of owners to work with them and bring their empty homes into use.

5. Build the partnerships you need The projects we followed clearly lead their community-based activities, however, for most their work is supported and underpinned by partnerships with the local authority and other key partners, such as community safety partnerships, probation services, public health, as well as other third sector agencies including housing associations. Local community representatives, for example town and parish councillors, local authority councillors, religious leaders, schools and colleges, business networks and funding bodies, can all play an important role in helping to achieve community objectives. They can help you to build your case, plan your approach, pull in resources and provide ongoing collaborative support.

Call to action

To bring empty homes into use local authorities should:

1. Support community-based neighbourhood regeneration approaches. This should include working with communities to develop neighbourhood improvement plans to tackle empty homes and the wider linked issues that they face. In doing so adopt an 'invest to save' approach recognising how supporting local schemes and services can bring wider benefits to local people, such as jobs and improved community safety, improved health and well-being as well as increasing the supply of secure affordable housing.
2. Ensure their approach in neighbourhoods with high levels of empty homes fits within a local authority-wide empty homes strategy for their area.
3. Seek funding and allocate resources to buy and refurbish empty properties for people in housing need. As part of this, they should make funding available to community-based organisations wishing to buy and refurbish empty homes. They should also support community-based providers and housing associations seeking funding to bring empty homes back into use.
4. Help community-based organisations wishing to build their know-how and skills to bring empty homes back into use by providing capacity building support.

Funding partners should:

1. Recognise the individuality of community-based initiatives and ensure there is sufficient flexibility in funding criteria to maximise the inclusion of community-based projects.
2. Review funding application processes to ensure they minimise the burden on community-based organisations when applying for funding. Review decision-making timetables to minimise delays. Ensure bidding requirements are proportionate to the sums involved.
3. Ensure performance reporting is targeted, meaningful and adds value to the overall project evaluation.
4. Consider consistency with other project funding partners especially where projects are jointly funded to optimise reporting by community-based projects.

Housing associations should:

1. Seek funding and allocate resources to buy and refurbish empty properties for people in housing need.
2. Take into account what is best for local communities when developing any property disposal strategies. This should include liaising with the local authorities before making disposals to help ensure that they do not contribute to neighbourhood decline and undermine strategies to tackle empty homes in the area.

3. Develop ethical disposal policies to balance the financial and operational needs of associations with community interests and priorities. If they intend to exit from a neighbourhood, they should look to dispose of properties to community-based organisations who are committed to the neighbourhood for the long-term and will manage them well.

Central Government should:

1. Adopt an investment programme targeted at areas with high levels of long-term empty homes. This programme should enable local authorities, social landlords and community-based organisations to buy/lease empty properties to refurbish them. It should also support wider community-based regeneration approaches that tackle the

underlying causes of empty homes in these areas.

2. Ensure that funding programmes to tackle empty homes are also open to community-led organisations who are not registered providers, and invest in capacity building in this sector.

3. Re-establish dedicated funding programmes to support local authorities and housing providers to create affordable housing from long-term empty homes in all parts of England.

4. Conduct a review of how the legal powers available to local authorities to tackle empty homes and poor standards of management in the private rented sector could be improved.

Concluding remarks

We hope this report will support and inform national and local conversations about collaboration with communities, to end the waste of empty homes and increase the supply of genuinely affordable housing. In the process, communities provide work and training for local people and opportunities for skills development. They help to deliver overall improvements in health and well-being through rebuilding the social and economic infrastructure in areas with high levels of empty homes and low levels of community cohesion.

Thanks

We would like to thank the Esmée Fairbairn Foundation for funding this project: Community-based approaches to bringing empty homes into use.

We would also like to thank the six demonstration projects and their partners and communities who worked with us to share their experience and knowledge, and to inform this report.

Brighid Carey, *Project Manager
Action on Empty Homes*



■ This publication is kindly supported by:



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Fairbairn**
FOUNDATION

Action on Empty Homes campaigns for more empty homes to be brought into use for people in housing need. Our aims are to:

- Raise awareness of the waste of long-term empty homes.
- Campaign for changes to national policy.
- Support local communities in transforming their neighbourhoods.
- Provide advice for those seeking to bring empty homes back into use.
- Research and develop ideas for bringing long-term empty homes back into use for those in housing need.

The national Coalition for Community Investment in areas with high levels of empty homes

- Action on Empty Homes has brought together a powerful cross-sector Coalition drawn from the private, social, and public housing sectors, and supported by both industry bodies and campaigning organisations, to call for action to end the waste of empty homes, as numbers grow at the fastest rate for a decade – despite a national housing crisis, of supply, quality and affordability. The Coalition calls for this wasted national resource of over 216,000 long-term empty homes, to be brought back into use for those in housing need, as part of a wider programme of investment. To find out more about the Coalition visit www.actiononemptyhomes.org/campaign-for-community-investment



Action on Empty Homes
200A Pentonville Road, Kings Cross, London N1 9JP
t 020 7832 5808 e info@actiononemptyhomes.org
www.actiononemptyhomes.org