Communitybased approaches in areas with high levels of empty homes





Empty Homes – the national campaigning charity aims in England to:

- Raise awareness of the waste of long-term empty homes.
- Research, develop and work with others to test ideas for bringing long-term empty homes back into use for those in housing need.
- Provide encouragement and advice for those seeking to bring empty homes back into use, or concerned about empty homes.
- Campaign for changes to policy and initiatives at national and local levels that will enable more action to bring empty homes back into use for those in housing need.

For more information on the work of Empty Homes-the national campaigning charity visit: www.emptyhomes.com

This report was produced by Empty Homes, with the map provided by Cobweb Consulting and photographs by the demonstration projects.

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## Introduction

Empty Homes—the national campaigning charity, has a project to spread community-based regeneration in areas with high levels of empty homes. We are following demonstration projects where community-based organisations are bringing empty homes into use. We want to understand what works, as well as the challenges they face. We want to share their experiences to encourage other organisations and areas to look at how community-based regeneration could work in their neighbourhoods.

Our project is also about building the case for a new Government investment programme targeted at areas with high levels of empty homes. We want the investment programme to support communitybased neighbourhood improvement approaches that refurbish empty properties and tackle the underlying causes of the high levels of empty homes in those areas.

In many parts of England, the number of long-term empty homes has come down significantly since 2008, however there are still some neighbourhoods where there are persistently high levels. These neighbourhoods are concentrated in the North of England. Our research has found that neighbourhoods with higher levels of empty homes tend to have lower house prices and poorer households than the rest of their local authority area. We also found these neighbourhoods tend to have higher levels of sub-standard private rented sector accommodation.<sup>1</sup>

In our view the high level of empty homes and poor standard of housing in these areas is just as much part of the housing crisis as the extreme affordability gap in high value areas. This project is about showing that the problems that exist in these areas can be tackled with communitybased approaches.

We think Government should target investment and support at areas with high levels of long-term empty homes. This investment should encourage community-based neighbourhood regeneration to tackle the underlying causes of empty homes in these areas. The funding should also support community-based organisations, local authorities and others to buy and refurbish privately owned empty homes to bring them back into use as truly affordable housing.

<sup>1</sup> Empty Homes (2016) 'Empty homes: why do some areas have higher levels?': http://www.emptyhomes.com/assets/empty-homes-why-do-some-areas-have-have-higher-levels-final-pdf.pdf

We will publish two reports from our project. This first report aims to introduce the demonstration projects and share early learning. It also makes recommendations about how best to support community-based empty homes work.

#### Thanks

We would like to thank the Esmée Fairbairn Foundation for funding this report, as part of a wider project that aims to:

- Build the evidence base of the characteristics of areas that have higher levels/concentrations of long-term empty homes to help inform a better understanding of the underlying causes and what works in tackling the issue.
- Work with a number of organisations across England to support and follow what they do in order to demonstrate that communitybased action is an effective means of bringing empty homes back into use as part of wider neighbourhood improvement approaches.
- Build a coalition of organisations championing the case for more support from central government, local authorities and others for community-based neighbourhood improvement approaches to tackling empty homes and wider linked issues.

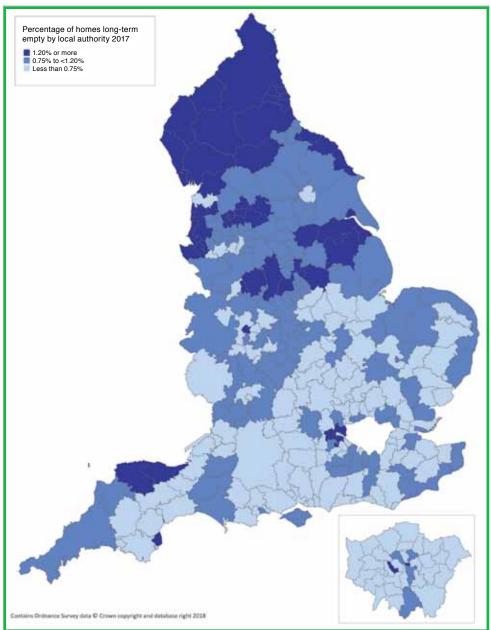
**Brighid Carey** 

Project Manager Empty Homes – national campaigning charity

# What is behind the high levels of long-term empty homes in some neighbourhoods?

In most parts of England, the housing market currently works such that homes are generally readily sold or let again. Local authorities tell us that in these areas when homes become stuck empty it tends to be related to the personal and financial circumstances of the owner of the property. They advise that an individual case work approach – from advice to enforcement action – is what helps to ensure these properties become occupied. However, in some parts of England, the relatively high levels of long-term empty homes suggest that there are underlying causes over and above the circumstances of the owner. An individual case work approach is unlikely to be enough.

Our analysis of Government data shows that many of the local authority areas with higher levels of long-term empty homes are found in the North of England, although we know there are neighbourhoods with high levels of long-term empty homes in all regions of England.



#### Percentage of homes long-term empty by local authority

Overall the Northern regions, followed by the Midlands, have the highest proportions of empty homes.

# Number and percentage of homes long-term (more than six months) empty by region

Region	Homes No	Homes long-term empty No	Homes long-term empty %
North East	1,224,357	17,106	1.40
North West	3,259,372	39,344	1.21
Yorkshire and Humber	2,407,332	27,009	1.12
East Midlands	2,070,625	18,553	0.90
West Midlands	2,471,214	20,996	0.85
South West	2,529,233	18,687	0.74
East of England	2,659,293	17,983	0.68
South East	3,871,368	25,378	0.66
London	3,582,015	20,237	0.56
England	24,074,809	205,293	0.85

In our report, *Empty Homes: why do some areas have high levels?* we draw on our 2016 survey of local authorities with relatively high levels of long-term empty homes.<sup>2</sup> This found that most local authorities with concentrations of long-term empty homes characterise these neighbourhoods, when compared with the same local authority area generally, as having:

- Lower household incomes.
- Lower house prices.
- More deprivation.
- More pre-1919 terraces.
- More antisocial behaviour.
- More changes in population/higher population turnover.
- More crime.
- More private rented accommodation.
- More private rented accommodation that does not meet the Decent Homes Standard.

<sup>2</sup> Empty Homes (2016) 'Empty homes: why do some areas have higher levels?': http://www.emptyhomes.com/assets/empty-homes-why-dosome-areas-have-have-higher-levels-final-pdf.pdf

In many neighbourhoods with concentrations of long-term empty homes, the poor condition of the housing stock appears to be a factor. People tend to move there only if they cannot afford housing elsewhere and are not able to access social housing. This includes people for whom social housing is not an option because they have been excluded for past antisocial behaviour or rent arrears; or who are not eligible because of their immigration status. At the same time, existing residents with choices often move on as soon as they can, including many previous owner occupiers who have sold up to move to what they see as 'more desirable neighbourhoods'.

The local authorities in our survey with concentrations of empty homes in particular neighbourhoods give the main reasons as:

- Owners are unable to fund repairs/improvements to sell or rent out the homes.
- Owners and previous occupants allowing homes to become uninhabitable.
- Low housing demand due to perceived social problems, such as antisocial behaviour.

From our discussions with local authorities and owners of empty homes, we have come to understand common reasons behind the inability to fund works. It can be due to the owner's credit history. It can also be because financial institutions consider the property's sale value or rent yield to be too low relative to the sums required. This is more likely to be an issue in areas with relatively low property prices, which is a feature of many areas with relatively high levels of long-term empty homes. It is also more likely to be the case where properties are in a poor condition and require extensive works because they have been left empty and uncared for over a longer period.

All the demonstration projects are working in areas where there is a lot of private rented sector housing, much of it substandard. Some of them have told us about neglectful landlords working in their neighbourhoods, some of whom bought properties at auction without visiting the area. There appears to be a common business model of minimising expenditure on any refurbishments, repairs and maintenance, then letting out the property for as much rent as possible, frequently funded via benefits.

In our survey, the second most frequently given reason for high levels of long-term empty homes, cited by seven in ten local authorities with long-term empty homes concentrated in particular neighbourhoods, is low housing demand due to perceived social problems such as antisocial behaviour. Neighbourhoods can get caught in a vicious cycle: the perception and reality of life in the area can put people off moving there, while many of those with a choice understandably vote with their feet and move out.

On the other hand, our demonstration projects show that many residents are committed to staying and want their neighbourhood issues addressed.

In our survey, over a third of local authorities with high levels of long-term empty homes in particular neighbourhoods also give the reasons as low housing demand due to lack of jobs and/or transport, and with better homes/housing options available elsewhere. Many of our demonstration projects are working in areas that had an historical role in housing workers in industries. The West Hull area, for example, where Giroscope operates, was originally developed to provide housing for dock workers and those working in the railway and associated industries, North Ormesby in Middlesbrough housed mine workers and those employed in iron and steel manufacturing, and Darwen in Lancashire provided housing for people working in the textile industry. These are industries where there has been a sharp decline since 1950s, resulting in rapid changes to both the availability and nature of employment for the local people.

We believe our research demonstrates that there is still a case for Government to target investment at areas with higher levels of longterm empty homes, and this is reflected in our recommendations below. Arguably, the high levels of long-term empty homes and poor standard of existing housing in some areas are just as much a part of the housing crisis as the extreme affordability gap in high value areas where demand more obviously outstrips supply.

# Overall learning from the demonstration projects

#### Introduction

Empty Homes identified six community-based demonstration projects to show what works in bringing long-term empty homes back into use and addressing the wider linked issues that communities face in neighbourhoods with high levels of vacant property. Each demonstration project is in an area where there are high levels of empty homes, along with high levels of poor quality privately rented accommodation and high levels of deprivation. Bringing empty homes into use can provide muchneeded secure affordable housing for local people. Each project also addresses wider issues within their own area in tackling the underlying causes of the high levels of empty homes and achieving broader social and economic outcomes. This includes providing work experience and training, offering volunteering opportunities and supporting local enterprise.

#### The demonstration projects and their selection

The six demonstration projects are:

- Cultures CIC working in Stockton on Tees.<sup>3</sup>
- East Midlands CLH working in the Sincil Bank area of Lincoln.<sup>4</sup>
- Giroscope Ltd working in Kingston upon Hull.<sup>5</sup>
- Groundwork (Bolton, Bury, Rochdale and Oldham) working in Rochdale.<sup>6</sup>
- Methodist Action North West working in Darwen, Lancashire.<sup>7</sup>
- North Ormesby CLT working in Middlesbrough.<sup>8</sup>

The demonstration projects were selected from the summer of 2016 onwards against the following criteria:

- 3 <u>http://culturescic.wixsite.com/cultures-cic</u>
- 4 http://emclh.co.uk/
- 5 http://giroscope.org.uk
- 6 https://www.groundwork.org.uk/sites/bbor
- 7 https://www.methodistaction.co.uk/
- 8 <u>http://north-ormesby-clt.org.uk/</u> <u>http://www.nondet.org.uk/</u>

- 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.

#### **Progress and reporting**

The demonstration projects are at different stages of development and delivery. This enables 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 is identifying building blocks for community-based approaches and highlighting some common obstacles.

The demonstration projects regularly report their progress to us, highlighting what is working well and those areas where they experience frustrations or barriers to progress. The purpose of this is to enable us to identify the things that work, as well as those that can stand in the way of community-based approaches to bringing empty homes into use. This enables us to propose potential solutions and alternative ways forward.

#### Access to funding

The demonstration projects are seeking funding from a wide range of sources including charitable organisations, their local authority and private funders. They have reported a number of challenges in relation to securing the funding they need to progress the work they want to do. This includes:

• Finding appropriate funding sources is time-consuming, partly because each funding body has its own priorities and target

outcomes.

- Each funding body requires different evidence and information, presented in a different format.
- Funding cycles and bidding deadlines can be very tight.
- To meet the overall project costs often requires using a range of different funding sources.

Access to dedicated investment programmes from central government and local authorities would help community-based organisations to bring empty homes into use. However, there are currently no central government dedicated empty homes programmes, and funding via Homes England is restricted to registered providers, mainly housing associations and local authorities. North Ormesby CLT has been able to access funding from Homes England, however this was achieved through a partnership with a registered provider and required lengthy negotiations.

The time currently taken to secure funding creates a degree of uncertainty and unpredictability for organisations. Delays in funding decisions impact on business planning and delivery schedules. Delays can also undermine the confidence of communities that projects will progress – people can lose heart. This can undermine efforts to engage the community in developing plans for their neighbourhood.

The demonstration projects have shown themselves to be flexible and adaptable when facing delays. Groundwork, for example, is undertaking empty homes work in other areas in Rochdale while awaiting a decision on funding for a specific empty homes project.

# Partnership working with local authorities on tackling empty homes

The demonstration projects provide examples of positive partnerships between local authorities and communities. Some of the demonstration projects are active in areas where local authorities have targeted action to tackle empty homes. Local authorities can help community-based organisations find empty properties for sale and lease as part of their wider work to tackle empty homes. This includes local authorities tracking down the owners of empty properties to understand why they are stuck empty and providing advice on selling their empty property or renovating it for rent. Where owners are not willing to act, many of the local authorities in the demonstration project areas have shown themselves willing to take enforcement action, making proactive use of their regulatory powers. Hull City Council uses enforcement powers to bring empty homes into use, and has successfully used Empty Dwelling Management Orders (EDMOs) on more than seven properties in the past four years. Rochdale Council also uses EDMOs to encourage owners of empty homes to act. Blackburn with Darwen Council is contacting owners of empty homes and putting Methodist Action in touch with owners who may be willing to lease their property. Many local authorities also offer loan or grant support to owners to help them fund renovation works. For example, in Middlesbrough, the Council has a 'Refurb and Rent' scheme offering up to £16,000 of grant funding per property for renovations.<sup>9</sup> Once all the work has been completed, the refurbished property is leased to and managed by North Ormesby CLT for five years. In Hull, the City Council provides funding from the sale of council houses, through its right to buy replacement programme, which has to date helped Giroscope to renovate eight empty homes.<sup>10</sup>

# Transfer of empty homes to community-based organisations

In neighbourhoods with high levels of long-term empty homes, successful strategies are needed to tackle the underlying causes. This requires more than a local authority casework approach with individual owners of empty property. Otherwise local action to bring some long-term empty properties bought back may not stem the high population turnover, and may not help to revitalise neighbourhoods or halt persistent cycles of neighbourhood degeneration.

Housing associations, local authorities, public bodies, churches and others may own homes which have become empty or hard to let in neighbourhoods where there are concentrations of empty properties. Asset transfer of empty homes to community-based organisations is an alternative to market disposal of houses. Accent Housing transferred ownership through a reduced-price sale of six empty homes to North Ormesby CLT. Asset transfer may also be in the form of a long lease (25+ years). Rochdale Council is transferring Denehurst House in Rochdale to Groundwork (BBOR) on a leasehold basis. Thirteen Group also leases empty homes to Cultures CIC for shorter periods of five years. From the transfer of a genuine and meaningful interest in property, communities are able to achieve outcomes that make a real difference in their neighbourhood.

The asset transfer of empty homes for renovation and management by community-based organisations supports the community investment in neighbourhoods, encouraging community-based partnerships which address and resolve persistent underlying issues, as well as providing affordable housing for local people.

<sup>9</sup> Middlesbrough Council 'Refurb and Rent Scheme': <a href="https://www.middlesbrough.gov.uk/planning-and-housing/housing/landlord-and-tenant-support/refurb-and-rent-scheme">https://www.middlesbrough.gov.uk/planning-and-housing/housing/landlord-and-tenant-support/refurb-and-rent-scheme</a>

<sup>10</sup> Hull City Council (2017) 'Right to Buy replacement programme grant fund': http://www.hull.gov.uk/sites/hull/files/media/Editor%20 -%20Housing/Right%20to%20Buy%20-%20grant%20funding%20 information%20sheet.pdf

#### **Capacity within communities**

Capacity within communities refers to the extent to which communities and community-based organisations have the resources, skills and knowledge to effectively develop, implement and sustain their own solutions to the challenges they face. By building capacity, communities can be empowered, or re-empowered, to resolve problems in a way that helps them shape and exercise control over their physical, social, economic and cultural environments. Neighbourhoods with concentrations of empty homes are often characterised by residents on low incomes and higher levels of poor quality private rented sector housing, as explored above. These are often perceived to be places where there are higher levels of social problems, such as antisocial behaviour. Such neighbourhoods can be regarded as undesirable and unsafe places to live. In this context, communities often feel demoralised, left behind and believe they have little control over their environment and prospects.

Building capacity within communities and community-based organisations also helps those communities and organisations to be more effective partners for local authorities, housing providers and funders, and other community groups, contractors and statutory bodies. In their feedback, each of our demonstration projects has noted there can be a mismatch between the expectations of key partners and the capacity of communities to deliver, in terms of resources and sometimes technical knowledge.

Building capacity within communities is an ongoing process and where there is little or no existing community activity can, to begin with, appear time-consuming to partner organisations. Local authorities can play a key part. For example, the City of Lincoln Council, in partnership with East Midlands Community Led Housing (EMCLH) and other local agencies, has worked with the Sincil Bank community, to arrive at a point where people in the community have developed the knowledge, skills and confidence to establish a Community Land Trust (CLT). Time and resources invested in community capacity building can reap significant rewards. In Middlesbrough, North Ormesby Neighbourhood Development Trust used capacity building funding from Big Local to develop North Ormesby CLT.

There is no single approach to enabling new community-based projects to get off the ground or develop increased capacity as each community is different. Even small amounts of funding and support 'in kind' can make a significant difference to community-based organisations. EMCLH for example, received small grant funding from a community chest grant pot set up as a joint venture between Lincolnshire County Council and the Lincolnshire Training & Enterprise Council (TEC) to pursue economic development projects. The grant funding was to support resident-led initiatives. It contributed towards the CLT start-up costs and funded trips to visit and learn from similar community

projects. Cultures CIC has reflected that support for capacity building would have enabled it to more fully understand building regulations and the law around health and safety, which would have saved a great deal of time when renovating its first homes. North Ormesby CLT receives support in kind from Middlesbrough Council through the part-time secondment of a member of the Council's private sector housing team, to work alongside the CLT and help liaise with owners of empty homes and address private sector housing issues.

### The demonstration projects

#### **Cultures CIC – Stockton-on-Tees**

Stockton-on-Tees is a market town in North East England with an estimated mid-2016 population of 195,700.<sup>11</sup> Stockton-on-Tees lies within the Tees Valley Combined Authority (TVCA) area. In 2016, the average house price was £128,450 and the affordability ratio (the ratio between lower quartile house prices and lower quartile earnings) was five times earnings.<sup>12, 13</sup>

The TVCA identified bringing empty homes into use as a priority within its report – *Tees Valley Opportunity Unlimited.*<sup>14</sup> This report also identified education, employment opportunities, and skills as priorities for the long-term sustainability of the region. Stockton-on-Tees Borough Council set out its commitment to tackling long-term empty homes in the *Stockton Council Plan 2016-2019: Big Plans, Bright Future.*<sup>15</sup>

The Stockton-on-Tees Joint Strategic Needs Assessment (JSNA) 2012-15 recognised that migrants to the area often had poor access to (and uptake of) services compared to the general population.<sup>16</sup> The JSNA noted a lack of co-ordination between services, and that migrants often did not know what services were available and lacked support to overcome language barriers. It also noted that migrants often lived in private rented accommodation in the more deprived and unsafe neighbourhoods.

- 11 Office for National Statistics (2016) 'Population, Estimates for UK, England and Wales, Scotland and Northern Ireland, Mid-2016 Detailed Time Series': <u>https://www.ons.gov.uk/peoplepopulationandcommunity/</u> populationandmigration/populationestimates/bulletins/ annualmidyearpopulationestimates/latest
- 12 HM Land Registry (2016) 'UK House Price Index Report': <u>https://www.gov.uk/government/collections/uk-house-price-index-reports</u>
- 13 Office for National Statistics (2017) 'Housing affordability in England and Wales: 1997 to 2016': <u>https://www.ons.gov.uk/</u> peoplepopulationandcommunity/housing/bulletins/housingaffordabilityin englandandwales/1997to2016
- 14 Ministry of Housing, Community and Local Government (2016) 'Tees Valley: opportunity unlimited': <u>https://www.gov.uk/government/</u> <u>publications/tees-valley-opportunity-unlimited</u>
- 15 Stockton Council (2016) 'Big Plans, Bright Future: Stockton Council Plan 2016-2019': https://www.stockton.gov.uk/media/7462/councilplan-2016-2019.pdf
- 16 Stockton-on-Tees (2012) 'Joint Strategic Needs Assessment (JSNA) 2012-15': http://www.teesjsna.org.uk/stockton/

#### The community-based organisation

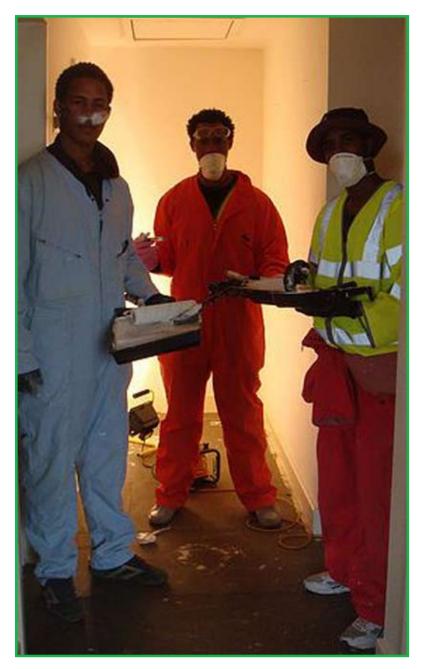
Cultures CIC is a community interest company formed in 2007. Although based in Stockton-on-Tees, Cultures CIC works across a broad geographical area in Stockton-on-Tees. Cultures CIC works with individuals and groups from Black, Asian and Minority Ethnic (BAME), migrant and refugee communities to improve social, economic and cultural inclusion and build social cohesion. Cultures CIC recognises the difficulties faced by migrants and has developed services to help people understand the local culture, as well as their rights and responsibilities. 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.

Cultures CIC is involved in community projects to improve employability; promote equality; break down barriers; improve access to services; and deliver cultural awareness-raising seminars and conferences. 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 was not initially established to provide housing. The need for safe, secure, affordable housing in stable communities was identified through its work with its 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 is included as a demonstration project because it shows that bringing empty homes into use is an effective means of meeting the housing, social and economic needs and aspirations of diverse and mixed communities. Every October, Cultures CIC holds a Taste of Africa event, to coincide with Black History Month. The event attracts performers and artists from all over the world, offers food from many cultures and involves local schools and businesses. The aim is to celebrate diversity and break down cultural barriers across the North East.

#### The demonstration project

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 delays within key partner organisations delayed the start date to February 2017, but the homes were occupied by May 2017. The pilot project brought together people from different cultures and helped in the development of English language skills. As well as providing housing, the aim was to support people in developing the requisite skills and knowledge to enable them to become economically independent and boost their well-being. The renovation works provided opportunities for people to develop their skills, working alongside professionals refurbishing the four properties.



The project also focused on prospective tenants being part of the primary workforce.

Securing 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 their time free to carry out works and provide training. This reduced

the overall labour costs. It also enabled Cultures CIC's client group to develop existing or learn new skills. Cultures CIC also approached B&Q for materials for the project. B&Q offered a considerable discount towards these items, which significantly reduced costs.

From its experience to date, Cultures CIC highlights the importance of having detailed project plans with realistic timetables, and staff who are skilled project managers who can review progress and reprogramme work if necessary. It also now recognises the need for a good understanding of the legal requirements of building and health and safety regulations. Its own lack of clarity about these issues led to some delays during the early stages of the project. It has found that having skilled construction professionals on site is invaluable to progress renovations and support training. In view of the initial delays to the start of the project, it now carefully co-ordinates volunteer recruitment with the project schedule to secure and retain interest.

Cultures CIC is developing a further project to lease and refurbish three empty homes from Thirteen Group on five-year leases, to provide secure affordable housing for refugees, migrants and women. Funding for the renovations is currently being negotiated with Thirteen Group.

As part of its developing social housing model, Cultures CIC is also in discussion with local housing providers to identify suitable properties which it could renovate and lease on a peppercorn rent for periods of five to ten years.

# East Midlands Community Led Housing (EMCLH) – Sincil Bank Lincoln

Lincoln is a cathedral city and the county town of Lincolnshire in the East Midlands of England. In mid-2016, the population estimate was 97,795.<sup>17</sup> In 2016, the average house price was £144,482 and the affordability ratio was five times earnings.<sup>18, 19</sup> In the City of Lincoln Council's placeshaping framework: *Sincil Bank, Revitalised*, the 'housing aspirations' include bringing empty properties back into use, to ensure the number of empty homes does not increase and to have in place action plans

- 17 Office for National Statistics (2016) 'Population, Estimates for UK, England and Wales, Scotland and Northern Ireland, Mid-2016 Detailed Time Series':<u>https://www.ons.gov.uk/peoplepopulationandcommunity/</u> populationandmigration/populationestimates/bulletins/ annualmidyearpopulationestimates/latest
- 18 HM Land Registry (2016) 'UK House Price Index Report': <u>https://www.gov.uk/government/collections/uk-house-price-index-reports</u>
- 19 Office for National Statistics (2017) 'Housing affordability in England and Wales: 1997 to 2016': <u>https://www.ons.gov.uk/</u> peoplepopulationandcommunity/housing/bulletins/housingaffordabilityin englandandwales/1997to2016

for all homes that have been empty for more than two years in order to bring them back into use.  $^{\mbox{\tiny 20}}$ 

Sincil Bank in Lincoln is an area of pre-1919 terraced housing, originally built to accommodate local factory workers. 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. Property conditions in the private rented sector are generally poor and there are relatively high numbers of houses in multiple occupation.<sup>21</sup>

Sincil Bank was initially identified by the 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.<sup>22</sup> From this time the Sincil Bank Neighbourhood Board has been active and engaged with the regeneration of the area. The underlying problems persisted however, and in 2016 the City of Lincoln Council commissioned the development of a *Sincil Bank, Revitalisation Framework*.<sup>23</sup> The framework was drawn from extensive community and stakeholder consultation, and presents an integrated 'asset-based' approach to regeneration. This approach engages closely with the community as in this context the 'assets' are the local people and the local place. There is a structured measurable delivery plan for each of the key themes: streets for people; gateways (positive first impressions of the area); greening; community hubs; skills and enterprise; and homes.<sup>24</sup>

#### The community-based organisation

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 land trusts in the East Midlands and nearby counties. It employs a full-time facilitator to work with communities, landowners, local authorities and providers of affordable housing to bring forward community-led housing, and offers a range of services to develop community-led affordable housing, including community capacity building, providing business planning, development, construction or housing management expertise, and helping to broker partnerships between communities and other agencies. In Sincil Bank, community engagement by the City Council

<sup>20</sup> City of Lincoln Council (2017) 'Sincil Bank, Revitalised': https://www. lincoln.gov.uk/living-in-lincoln/community-and-neighbourhoods/sincilbank-revitalisation-programme/

<sup>21</sup> Ibid

<sup>22</sup> Ibid

<sup>23</sup> Ibid

<sup>24</sup> City of Lincoln Council (2017) 'Sincil Bank, Revitalised': https://www. lincoln.gov.uk/living-in-lincoln/community-and-neighbourhoods/sincilbank-revitalisation-programme/

in developing the place-shaping strategy laid the foundations for positive action in the area. This is in terms of both engaging with local residents and stimulating support from the statutory, private and third sectors. Local residents have been quick to give their support to the concept of a community-led response to empty homes along with wider neighbourhood issues and have formed a Sincil Bank CLT steering group to drive this forward.



#### The demonstration project

The concentration and poor condition of empty homes in Sincil Bank was identified as a key focus for action. This was to address the negative impact they have on the neighbourhood, to provide opportunities for skills development, and to deliver affordable housing options for local people. EMCLH will be working with Lincolnshire Employment Accommodation Project (LEAP) and is in discussions with Lincoln College to provide construction-based work experience, training and apprenticeships for local people. At the time of writing, Sincil Bank CLT, supported by EMCLH, was being established to carry forward the empty homes work, deliver some new-build housing and develop accessible workspaces to facilitate local enterprise. Key partners, across the wider Revitalising Sincil Bank area and workstreams, include: City of Lincoln Council, Sincil Bank Neighbourhood Board, Sincil Area Residents' Group, Investors in Lincoln, Lincolnshire Police and the United Lincolnshire Hospitals NHS Trust, LEAP, Green Synergy, Development Plus, University of Lincoln and Lincoln City FC, along with local schools, faith groups and community schemes.

EMCLH worked with members of the community and local organisations to develop the recommendations from the place-shaping framework and encourage the formation of a new CLT to bring empty homes into use.<sup>25</sup>

EMCLH has partnered with City of Lincoln Council, local community representatives, Sincil Bank Neighbourhood Board and a newly created 'Homes' group comprising public, private, third sector and community stakeholders. A steering group of seven people has come forward to drive the high-level business planning and incorporation of a new CLT. City of Lincoln Council is diverting community-development resources into the area and will be exercising statutory powers with respect to acquiring empty homes on behalf of, and in partnership with, the emerging Sincil Bank CLT.

#### Giroscope – Kingston upon Hull

Kingston upon Hull is a unitary authority in the East Riding of Yorkshire, England. It lies upon 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.<sup>26</sup> In 2016, the average house price was £102,669 and the affordability ratio was four times earnings.<sup>27, 28</sup>

Through its *Growth Deal Three* (Nov 2016) the Humber Local Enterprise Partnership (LEP) committed to supporting Hull's city centre transition to new leisure and residential uses.<sup>29</sup> This would be achieved through delivering key housing development sites and supporting the conversion of empty commercial properties where their traditional use was no longer viable. There is a target to provide 500 new homes in Hull city centre.<sup>30</sup> Within *Growth Deal Three*, regeneration was also linked to the development of a more skilled workforce, and sustainable infrastructure to support growth.<sup>31</sup> Hull City Council's empty property policy 2012 -2016 recognised that empty properties were not only a wasted housing

- 25 City of Lincoln Council (2017) 'Sincil Bank, Revitalised': <u>https://www.lincoln.gov.uk/living-in-lincoln/community-and-neighbourhoods/sincil-bank-revitalisation-programme/</u>
- 26 Office for National Statistics (2016) 'Population, Estimates for UK, England and Wales, Scotland and Northern Ireland, Mid-2016 Detailed Time Series':<u>https://www.ons.gov.uk/peoplepopulationandcommunity/</u> populationandmigration/populationestimates/bulletins/ annualmidyearpopulationestimates/latest
- 27 HM Land Registry (2016) 'UK House Price Index Report': <u>https://www.gov.uk/government/collections/uk-house-price-index-reports</u>
- 28 Office for National Statistics (2017) 'Housing affordability in England and Wales: 1997 to 2016': <u>https://www.ons.gov.uk/</u> peoplepopulationandcommunity/housing/bulletins/housingaffordabilityin englandandwales/1997to2016
- 29 Humber Local Enterprise Partnership (2016) 'Growth Deal Three': <u>http://www.humberlep.org/strategies-and-deals/growth-deals/growth-deal-3/</u>
- 30 Ibid
- 31 Ibid

resource: they contributed to neighbourhood blight, attracted antisocial behaviour and petty crime, and devalued neighbouring properties.<sup>32</sup> The empty property policy also noted empty homes caused the City Council losses in council tax and the cost of reactive interventions.<sup>33</sup> One of the key priorities for the *Hull Housing Strategy 2017-2020* is reducing the number of empty properties in the city.<sup>34</sup>

#### The community-based organisation

Giroscope 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 when buying its first property. Over the years Giroscope has run several businesses and it currently has an enterprise park supporting local enterprises, including an artisan bakery, a microbrewery and a condiment manufacturer. Giroscope also owns a vegetarian café and a shop. In addition, Giroscope provides space for Hull Ethnic Minorities Community Centre Foundation who teach English to new arrivals to the UK.

Using the Government–funded Empty Homes Community Grant Programme (EHCGP) Giroscope created 48 new homes from empty properties between 2012 and 2015.<sup>35</sup> Central to Giroscope's work is a volunteer programme providing work experience, training and support to help local people prepare for work across a range of skills areas. Its tenants and volunteers have a diverse range of needs and include young people, long-term unemployed people, and ex-offenders. Giroscope achieved the Howard League for Penal Reform Organisation of the Year Award 2017, in recognition of its effective programme of support and training helping ex-offenders to rehabilitate into the community.

#### The demonstration project

The demonstration project initially focused on work being undertaken in the St Andrews and Newington wards, with a target of nine empty homes being brought into use and provision of training opportunities for vulnerable people. The projected cost of this project is £393,420. Funding is from five primary sources: Giroscope loan finance (£280,000);

- 32 Humber Local Enterprise Partnership (2016) 'Growth Deal Three': <u>http://</u> www.humberlep.org/strategies-and-deals/growth-deals/growth-deal-3/
- 33 Ibid

24

- 34 Hull City Council (2017) 'Hull Housing Strategy 2017-2020': http://www. hull.gov.uk/sites/hull/files/media/Editor%20-%20Housing/Hull%20 Housing%20Strategy%202017%20-%202020\_1.pdf
- 35 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.

the Nationwide Foundation (£93,420); Humberside, Lincolnshire & North Yorkshire Community Rehabilitation Company (£12,500); and the European Social Fund (£7,500).<sup>36, 37, 38</sup>





During 2017, Giroscope bought and renovated five properties which had been empty from between nine months and ten years. It is continuing to work on three further properties, which had been empty from between nine months and 17 years. The completed properties have provided decent, secure, affordable accommodation for people in housing need, including a single parent who was on the verge of being evicted because her landlord was selling the property, two Iranian girls who moved to the UK on a UN refugee programme and a young family who were living in overcrowded accommodation.

<sup>36</sup> Nationwide Foundation: http://www.nationwidefoundation.org.uk

<sup>37</sup> Humberside, Lincolnshire & North Yorkshire Community Rehabilitation Company: <u>http://www.hlnycrc.co.uk/</u>

<sup>38</sup> European Social Fund: http://ec.europa.eu/esf/home.jsp?langld=en

Affordable rents are charged for these renovated properties: £86 per week for a two-bed house and £103 per week for a three-bed house. The rent level is within the local housing allowance for Hull, which is the maximum housing benefit amount payable in the locality.<sup>39</sup>

Giroscope has faced a number of challenges, both internal and external. While renovating new empty homes, it still had to manage tenancy turnover in its existing stock. Over the course of the year 17 properties (18% of housing stock) became vacant and the amount of work required on each property before it could be re-let varied from minor repairs and redecoration to extensive renovation work. This put pressure on resources and the delivery timetable for renovations. When it buys empty homes, Giroscope uses a financial model based on purchase and renovation costing up to £65,000 per property: £40,000 to purchase a house and £25,000 for renovation costs. Some of the properties were found to be in a very poor state of repair which demanded flexibility within the overall financial model.

Giroscope provides affordable housing for local people, some of whom have tenancy support needs. Provision of tenancy support to some vulnerable households has been challenging within the staffing resources available. However, in March 2017 Giroscope employed an additional full-time housing support worker. This increased its capacity to provide tenancy support.

During the year April 2016 – March 2017, Giroscope provided work placements to 221 people. Some of these individuals completed a minimum period (from one day upwards), others undertook regular volunteering over a period of months. Giroscope worked with a diverse range of people, many of whom had multiple or complex barriers to work: previous substance misuse, offending behaviour, learning difficulties and mental health problems, refugees, vulnerable young people and other marginalised or excluded individuals.

The majority of staff employed by Giroscope are recruited from its volunteer programme. Giroscope has a peer mentoring scheme. However, during the year 2016 -2017 some people struggled with additional responsibility which led to a higher than anticipated turnover of staff. It also found that working with a less skilled work force impacted on delivery timetables, with renovation works taking longer than planned to complete. In response, it has implemented a new

<sup>39</sup> 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: <u>https://lha-direct.voa.gov.uk/search.aspx</u>

induction programme and recruited a new site staff manager to ensure consistency of practice across all its sites.

Giroscope hopes to benefit from a new opportunity to acquire additional empty homes for refurbishment. Hull City Council has set up a grant fund from the proceeds of the sale of right-to-buy council properties. This grant fund will pay up to 30% of the capital costs of creating affordable housing, either bringing empty properties back into use or building new homes. This fund will be available for both registered providers of social housing and community-based groups. The fund has proved a significant development for Giroscope's financial strategy for new projects bringing empty homes back into use: it was successful in the first grant round of bids in June 2017 for a project to renovate two long-term empty properties, accessing a grant of £40,000.

# Groundwork (Bolton, Bury, Rochdale and Oldham) (BBOR) – Rochdale

Rochdale is a <u>metropolitan borough</u> in <u>Greater Manchester</u> in <u>North</u> <u>West England and is part of the Greater Manchester Combined Authority</u> (<u>GMCA</u>). 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. In mid-2016, Rochdale had an estimated population of 216,165.<sup>40</sup> The average house price in Rochdale in 2016 was £126,016 and the affordability ratio was five times earnings.<sup>41,42</sup>

Rochdale Borough Council's Townships Plan 2014-2015 focused on four overall key priorities: people, place, prosperity and public service reform.<sup>43</sup> Delivery of affordable housing to meet needs was a core requirement and bringing empty homes into use was seen as part of this plan.

<sup>40</sup> Office for National Statistics (2016) 'Population, Estimates for UK, England and Wales, Scotland and Northern Ireland, Mid-2016 Detailed Time Series': <u>https://www.ons.gov.uk/peoplepopulationandcommunity/</u> populationandmigration/populationestimates/bulletins/ annualmidyearpopulationestimates/latest

<sup>41</sup> HM Land Registry (2016) 'UK House Price Index Report': <u>https://www.gov.uk/government/collections/uk-house-price-index-reports</u>

<sup>42</sup> Office for National Statistics (2017) 'Housing affordability in England and Wales: 1997 to 2016': <u>https://www.ons.gov.uk/</u> peoplepopulationandcommunity/housing/bulletins/housingaffordabilityin englandandwales/1997to2016

<sup>43</sup> Rochdale Borough Council (2014) 'Townships Plan 2014-2015': http:// www.rochdale.gov.uk/council-and-democracy/policies-strategies-andreviews/strategies/place-and-environment/Pages/townships-plan.aspx

#### The community-based organisation

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 BBOR 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 BBOR and Rochdale Borough Council. Since then, Groundwork has refurbished 22 empty homes on the basis of lease and repair. 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 traineeships) 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.

#### The demonstration project

The property identified for the demonstration project is the conversion 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 has been empty for over five years.

Once brought into use, Denehurst House will provide five one- and two-bed apartments. These will be let at affordable rents to local people in housing need. There are also plans to provide a community space on the ground floor of the house, which would provide a much-needed community asset.

The project will deliver training and employment to up-skill and provide jobs for local people during the renovation works. The property will be leased from Rochdale Borough Council, initially for 20 years, at a peppercorn rent. The total scheme cost is estimated to be £293,000.

Negotiations regarding the business plan for Denehurst House have proved complex and there has been some delay in reaching a final agreement with all partners. One reason for the delay has been discussion, still to be concluded, about mixed use for the property once



renovated: affordable housing on the upper floors with a community facility on the ground floor. This proposal has raised questions between Groundwork and Rochdale Borough Council about the management of risk in relation to the area for community use, and any future community enterprise based in the building. Another delay has resulted from discussions about the suitability of the finished accommodation for the original target group - young people leaving residential care. The property is relatively isolated in a public park setting. On further consideration, the location was considered unsuitable and a

different, lower risk target group is currently being reviewed. To manage workflow during the delay, Groundwork sought other empty homes projects and completed renovation works on 15 properties in Rochdale, in partnership with Rochdale Borough Council. These renovations provided work experience and training opportunities for local people, and delivered affordable housing for people in housing need.

#### Methodist Action North West – Darwen, Blackburn with Darwen

Darwen is a town within Blackburn with Darwen in Lancashire. In mid-2016, the population estimate for Blackburn with Darwen was 147,049.<sup>44</sup> The average house price was £106,933 and the affordability ratio was four times earnings.<sup>45, 46</sup> The Blackburn with Darwen Council *Housing Toolkit – Blackburn with Darwen's Housing Implementation Strategy* focuses on bringing private sector properties back into use by working

44 Office for National Statistics (2016) 'Population, Estimates for UK, England and Wales, Scotland and Northern Ireland, Mid-2016 Detailed Time Series': <u>https://www.ons.gov.uk/peoplepopulationandcommunity/</u> populationandmigration/populationestimates/bulletins/ annualmidyearpopulationestimates/latest

- 45 HM Land Registry (2016) 'UK House Price Index Report': <u>https://www.gov.uk/government/collections/uk-house-price-index-reports</u>
- 46 Office for National Statistics (2017) 'Housing affordability in England and Wales: 1997 to 2016': <u>https://www.ons.gov.uk/</u> peoplepopulationandcommunity/housing/bulletins/housingaffordabilityin englandandwales/1997to2016

with others and through enforcement.<sup>47</sup> The introduction of a selective licensing scheme in Darwen will complement this by reinforcing the duty of landlords to manage their property responsibly and discourage them from leaving properties vacant.<sup>48</sup> One of the empty properties currently being brought into use is within the selective licencing area.

#### The community-based organisation

Methodist Action North West (MANW) is an independent charity created in 2010 and based in Preston, Lancashire. In 2012, MANW started to bring empty homes into use to provide affordable housing and support wider opportunities for communities. 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.

By 2015, with support from EHCGP funding, 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 the properties from them, manages the refurbishment works and lets the properties at affordable levels based on local housing allowance rates. The rent is collected directly by the charity and then distributed to the owner, less an amount to meet the costs of refurbishing the property and MANW management costs. In this way MANW can repay the initial grant funding from the local authority for the refurbishment works and this can be recycled into the refurbishment of other empty homes. The repaid grant funding contributions are reinvested into further properties, thus extending the benefit of the grant and size of the property portfolio held by MANW.

#### The demonstration project

MANW has developed a partnership with Blackburn with Darwen Council and Nightsafe, a local youth homelessness charity, to provide shared accommodation in Darwen, with tenancy support, for homeless vulnerable young people aged between 16 and 24 years. The initial proposal is to renovate seven properties including one three-bed house and six two-bed houses, to provide 15 bedspaces. Following two years of discussion with Blackburn with Darwen Council, the initial stage of

<sup>47</sup> Blackburn with Darwen Council (2014) 'Housing Toolkit – Blackburn with Darwen's Housing Implementation Strategy 2014': <u>https://www. blackburn.gov.uk/New%20local%20plan%202/4.12%20BwD%20</u> Housing%20Implementation%20Strategy%20Jan%202014.pdf

<sup>48</sup> Blackburn with Darwen Council (2017) 'Darwen selective licencing scheme': <u>https://www.blackburn.gov.uk/Pages/Selective-licensing.aspx</u>

work up to March 2017 was to secure the grant funding required for the capital investment into the property refurbishments. After a positive start, the scheme is now being extended to Blackburn.

The primary funder is LandAid, who have a focus on ending youth homelessness.  $^{\!\!\!\!^{49}}$ 

Since March 2017, following the confirmation of the grant offer from LandAid, the local authority's empty homes officer has begun to approach owners of long-term empty homes to discuss the scheme. The renovation works have been costed on a 'per bedspace' basis. The capital cost per bedspace is  $\pounds$ 7,166, equating to  $\pounds$ 14,332 per two-bed house,



and £21,498 per threebed house, giving a total capital requirement for the project of £85,992. LandAid has agreed funding of £86,000. This is a contribution to the overall works required. Owners are expected to make up the balance. MANW is contributing £15,000 from its own resources to provide a contingency should owners be unable to fully meet their contribution. MANW has met with owners referred to them, visited their property and explained the scheme.

From this, three owners have confirmed their willingness to be involved with the scheme and discussions continue with others. One property has been completed and let, with two more on site scheduled for completion in March or April this year.

For the demonstration project, MANW will use its established lease and repair model, with a standard lease term of at least seven years. The capital contributions from LandAid to help fund refurbishments will be reclaimed by MANW from owners of empty homes, usually in the first three years of the lease term. These sums will be recycled into bringing additional empty homes into use.

49 LandAid is the property industry charity which aims to end youth homelessness in the UK: <u>https://www.landaid.org/</u>

MANW is developing a partnership with Blackburn College and the building contractors undertaking renovation works to offer on-site work experience and training. They are also exploring opportunities for professional studies students and student surveyors to gain experience of project management and surveying respectively. At the time of writing, 15 students had been provided with work experience in painting, decorating, joinery and plumbing. Opportunities for volunteering will be assessed as the project progresses.

Nightsafe has started to assess young people ready for move-on and to identify which properties would suit them; this is important to enable MANW to engage with them as future residents and encourage them to be involved in the latter 'finishing' stages of the project to give them ownership and involvement with their future home.

#### North Ormesby Community Land Trust – Middlesbrough

Middlesbrough is a town in North East England within the Tees Valley Combined Authority (TVCA) area. In mid-2016 there was a population of 140,398.<sup>50</sup> The average house price was £104,067 and the affordability ratio was five times earnings.<sup>51, 52</sup> The TVCA identified bringing empty homes into use as a priority with its report, *Tees Valley: opportunity unlimited*.<sup>53</sup> This report also identified education, opportunities and skills as priorities for the long-term sustainability of the region. The Council has introduced a selective licencing scheme in North Ormesby to help tackle poor conditions in the private rented sector and improve housing management practice in the area.<sup>54</sup>

North Ormesby Community Land Trust (CLT) is part of an established community-based organisation – North Ormesby Development Trust (NONDeT). In 2014, the North Ormesby area received significant

- 50 Office for National Statistics (2016) 'Population, Estimates for UK, England and Wales, Scotland and Northern Ireland, Mid-2016 Detailed Time Series':<u>https://www.ons.gov.uk/peoplepopulationandcommunity/</u> populationandmigration/populationestimates/bulletins/ annualmidyearpopulationestimates/latest
- 51 HM Land Registry (2016) 'UK House Price Index Report': <u>https://www.gov.uk/government/collections/uk-house-price-index-reports</u>

52 Office for National Statistics (2017) 'Housing affordability in England and Wales: 1997 to 2016': <u>https://www.ons.gov.uk/</u> peoplepopulationandcommunity/housing/bulletins/housingaffordabilityin englandandwales/1997to2016

- 53 Ministry of Housing, Community and Local Government (2016) 'Tees Valley: opportunity unlimited': <u>https://www.gov.uk/government/</u> <u>publications/tees-valley-opportunity-unlimited</u>
- 54 Middlesbrough Council (2017) 'Selective landlord licensing scheme': https://www.middlesbrough.gov.uk/planning-and-housing/housing/ landlord-and-tenant-support/selective-landlord-licensing-scheme

funding through the (National Lottery) Big Local programme.<sup>55</sup> North Ormesby Big Local partnership was formed, following community consultation, and poor quality private rented housing and empty homes were identified as key priority areas.

Middlesbrough Council has been working in partnership with NONDeT and the CLT to tackle the wider issues in the neighbourhood. In addition to the selective licencing scheme Middlesbrough Council has also provided two part-time secondments to NONDeT to assist with addressing issues with private landlords and empty homes.<sup>56</sup> These staff carry out property inspections, liaise with private landlords and owners of empty homes, and exercise the local authority statutory powers.

Middlesbrough Council, the CLT and NONDeT have developed partnerships with the Cleveland police, the fire authority and the clinical commissioning group to co-ordinate local interventions in relation to community safety and health and well-being. NONDeT and the CLT established an advice, information and guidance service to support local people to improve the quality of their lives. NONDeT has also addressed crime and antisocial behaviour and promoted healthy eating events, walking and exercise groups. It has set up a play group and worked with local families to improve parenting skills.

To provide support for vulnerable residents, NONDeT and the CLT have partnered with a national mental health charity, that has seconded a specialist housing manager and entered into a funding partnership with NONDeT to recruit three support workers, ideally from the local community. When in post, these workers will offer support and advice to CLT tenants, as well as other people in the community. This service would also provide a helpline for out-of-hours issues, including repairs and reports of antisocial behaviour.

#### The demonstration project

The North Ormesby CLT demonstration project involves the purchase and refurbishment of empty homes. The initial targets were to purchase six empty homes from Accent Housing, a housing association that works in the area, for below market value, using a total of £80,000 of the Big Local grant funding, and to secure the agreement from the Homes and Communities Agency (HCA) to permit the use of Housing for Rent Scheme grant funding of £24,000 per property to bring them up to acceptable standards (through Thirteen Group, another housing

56 Ibid

<sup>55</sup> Big Local Trust was established by Local Trust and the Big Lottery Fund with a National Lottery grant of £196,873,499. The grant is an endowment, which has to be spent by December 2026. It funds Big Local, supporting 150 communities in England to make their areas even better places to live:. https://www.biglotteryfund.org.uk/biglocal

association operating in the area).<sup>57</sup> North Ormesby CLT secured a further £48,000 from the Big Local funding to purchase four more empty homes for refurbishment.

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. A local letting policy was agreed with Thirteen Group and Middlesbrough Council to ensure local people had priority for housing, provided they met the local eligibility criteria.



North Ormesby CLT has extended its letting agency management services and has also secured a contract to manage up to 30 properties for a period of five years on behalf of Middlesbrough Council. The CLT has significantly increased its work with private landlords and has extended its portfolio of managing private rented accommodation in the local area.

North Ormesby CLT is continuing to look at opportunities for housing development across North Ormesby. It is

exploring the possibility of redeveloping a derelict church site to include one-bedroom properties and new permanent offices for the CLT.

With respect to future funding, the CLT is working in collaboration with TVCA and partner agencies across the Tees Valley area to address the issues of poor quality housing, reinstating empty properties and

- 57 The Homes and Communities 'Housing for Rent' scheme provides funding for the following scheme types (subject to eligibility)
  - New Build including Acquisition & Works, Off the Shelf and Works Only schemes.
  - Rehabilitation including Acquisition & Works, Existing Satisfactory, Purchase and Repair and Works Only schemes.
  - · Re-improvement of provider-owned stock but not Major Repairs:

https://www.gov.uk/guidance/capital-funding-guide/4-housing-for-rent

establishing a significant single pot investment fund for community land trusts in the region to use as match funding.

In its feedback to us, North Ormesby CLT emphasised the importance of contingency planning as integral to budget forecasting and schedules of work. Delays required flexibility and creativity to keep the project moving forwards. It also noted that legal matters could take more time than anticipated to resolve, and that delivery timetables should be realistic and agreed with legal partners to avoid unplanned slippage and additional costs. It also commented that although positive partnerships may be in place, it should not be assumed that each agency has awarded the same level of priority to delivering joint work. Agreeing timetables with associated resources can help to ensure work remains synchronised as planned.

## **Recommendations**

In this section we make recommendations for key stakeholders. These recommendations relate not only to our findings from the demonstration projects; they also come from our wider discussions and experience of what works to enable and support community-based approaches to bringing empty homes into use.

# Local authorities with neighbourhoods with high levels of empty homes should:

- 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, reduced crime, improved health and well-being.
- 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.
- 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 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 and consider consistency with other project funding partners 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. If seeking 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:**

- 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.