

Report to Audit and Governance Committee 17th November 2020 on actions taken in relation to key recommendations made in the audit report relating to the audit of Private Sector Housing Empty Homes

Lead Officer: Jon Beckett, Head of Health and Wellbeing

Presenting officer: Maria Hickman, Housing Renewal Manager

Summary of Audit Area

Stroud District Council's (the council) Private Sector Housing Renewal team works towards warm, safe, healthy homes for all homeowners and private tenants.

The team covers all housing which is not owned by the council, including leasehold properties, privately rented accommodation, housing association properties and those which are owner occupied. Most Stroud residents (90%) live in properties which are privately owned or privately rented.

Free advice is offered to home owners including those with empty properties for whom the team encourage, enable and assist owners by offering advice, signposting, and may also offer financial assistance in the form of a loan. If they continue to remain empty despite intervention from officers then there are enforcement powers that may be enacted.

In July 2019 there were 53,158 dwellings in the Stroud district (excluding those owned by the council) of these:

- 1040 (1.96% of total dwellings) are classed as empty;
- 416 properties (0.78% of total dwellings) have been empty for more than one year; and
- 29 (0.05% of total dwellings) have been empty for 10 years or more.

Summary Terms of Reference of the Audit

The objective of this review was to determine whether there are effective arrangements in place to identify empty properties and encourage owners to bring these properties back into use.

The specific objectives of the audit were to provide assurance on the following areas:

- The council has a policy and clear guidance to ensure that the expectations for good management of empty properties is clearly defined, and to ensure that owners are supported to bring their properties back into use;
- There are adequate systems and processes in place to enable the support of owners with empty homes, and these are operating effectively; and
- Accurate empty home data is obtained, managed and owners are corresponded with in line with the council's policy and Empty Property Procedure.

Risks

The council does not have clear guidelines and effective methods for the management of empty properties resulting in properties being left vacant for extended periods of time which could cause problems for the surrounding community, the empty properties becoming a wasted resource; give rise to complaints and reputational damage.

Key Findings

The Empty Property Procedure stipulates that once an empty home has been empty for 12 months the home owner will be corresponded with every six months (for up to three and half years) and encouraged to bring the empty property back into residential use. Audit testing identified that owners of properties that had been empty for longer than 18 months had not been written to since July 2018. Internal Audit was informed by the Housing Renewal Manager that this was due to staff shortages.

See: Recommendation One

The Empty Property Procedure currently requires that all empty properties are logged onto the Uniform computer system. As Internal Audit identified that 60% of empty properties are brought back into use within the first 12 months this requirement would appear counter intuitive as the Uniform computer system would have to be re-updated to reflect the properties that are no longer empty.

See: Recommendation Two

The Uniform computer system would be an efficient and reliable system for recording the support and guidance that owners of empty homes have received from the council, and this could then be used as evidence to meet the requirements of the Housing Act 2004 if Empty Dwelling Management Orders (EDMO) and Compulsory Purchase Orders (CPO) enforcement actions are taken. The Empty Property Procedure should be updated to reflect this new process.

See: Recommendation Three**Conclusion**

There is an adequate framework in place to identify empty properties and encourage owners to bring these properties back into use. These arrangements are supported by a sound policy, and overall adequate systems and procedures, albeit a refresh of the Empty Property Procedure would be of benefit. This said there has been a significant lapse in the application of the procedures over several years impacting upon the proactive work that could be undertaken to encourage and support home owners to bring empty properties back into use and therefore the control environment is not operating as intended. Going forward, this is an area that requires focus to ensure adherence with council policy, and achievement of the council's corporate objective 'reduce the number of empty homes in all tenures'.

Action(s) taken to implement the recommendations as at 23rd October 2020 and / or proposed.

High priority recommendation 1: Arrangements to identify empty properties and encourage owners to bring these properties back into use	Original management response
<p>To ensure that owners of empty properties are supported to bring their properties back into use, it is imperative that owners receive letters and factsheets every six months, in line with council policy and procedures.</p>	<p>The team structure has been reviewed and reorganised to enable recruitment to be undertaken for a private sector housing officer who will be dedicated to empty homes work for a significant part of their role.</p> <p>Completion date: 30/09/2020</p>
<p>Management update as at 23rd October 2020:</p>	
<p>Recruitment was delayed due to the COVID 19 outbreak but the new post holder started working for the Council on the 29th October.</p>	

Medium priority recommendation 2: Arrangements to identify empty properties and encourage owners to bring these properties back into use	Original management response
<p>The Empty Property Procedure is reviewed and refreshed as appropriate with regard to when properties should be entered onto the Uniform system. Any change in procedure must support the need for corporate priorities to be met, and the consideration of enforcement actions are transparent and support offered is fully documented.</p>	<p>Procedure will be clarified so that it is clear when empty properties identified through the Council Tax register are entered on the uniform system.</p> <p>Completion date: 31/05/2020</p>
<p>Management update as at 23rd October 2020:</p>	
<p>The Empty Homes Procedures have been updated.</p>	

Medium priority recommendation 3: Arrangements to identify empty properties and encourage owners to bring these properties back into use	Original management response
<p>Update the Uniform system to ensure that it evidences correspondence and support given to owners of empty properties that would meet the requirements of the Housing Act 2004 for EDMO and CPO enforcement actions.</p> <p>This must be in line with the revised Empty Property Procedure (as documented in Recommendation 2).</p>	<p>A more formal system of recording a review of property identified as long term empty to evidence that EDMO and CPO action has been considered and reasons not appropriate will be set up on the Uniform system once the staffing resources are in place.</p> <p>Completion date: 01/09/2020</p>
<p>Management update as at 23rd October 2020:</p>	
<p>A review form has been developed and added to the Empty Homes procedure and an annual review programme will be put in place when the new post holder starts work with the Council on the 29th October.</p>	