

SCOTTISH EMPTY HOMES PARTNERSHIP ANNUAL REPORT 2011-12

Summary

At the start of last year the Scottish Empty Homes Partnership set out a number of priorities for 2011/12 as a result of the findings of our 2011 survey and the experience gained from the first 10 months of our work. These priorities have been developed over this past year and will be reviewed in this report.

The priorities are:

- Improving Data Collection
- Focusing on strategies and policies (National & local)
- Supporting our members
- Increased funding and resources for empty homes work

A key strand linking all of these priorities has also been made even clearer this year than it was in the first year of the project, that is, the need to increased council staff resources dedicated to private sector empty homes work. This theme will be discussed throughout this year's report.

Empty homes work in Scotland remains at an early stage for many councils, however there is clear evidence that much improvement has been made and a number of councils have made significant progress in the past year. Highlights from the year include:

- 24 councils now including empty homes in their Local Housing Strategies.
- Scottish Empty Homes Database Template Tool created and distributed
- Assisted South Ayrshire Council to prepare their successful Innovation and Investment Fund Grant for an Empty Homes Revolving Loan Scheme
- Funding secured and two full time Empty Homes Officers in post for the Homes Again Project (Shared Services in the South and East of Scotland).
- Funding secured and full time Empty Homes Officer recruited for the West Dunbartonshire/Renfrewshire Shared Services Project.
- £4m National Empty Homes Loan Fund announced.
- Inverclyde Council commits funding to Empty Homes Pilot Project in partnership with Oak Tree Housing.

- Empty homes council tax powers introduced to parliament via the Local Government (Unoccupied Properties, etc) (Scotland) Bill.
- Scottish Empty Homes Conference held in November 2011.
- 27 Councils now signed up to the reportemptyhomes.com website

We have repeated our survey of Scottish Empty Homes Network Officers and Empty Homes Lead Officers this year and this report draws heavily on that survey as well as the wider work of the Partnership over the last year. This year we also surveyed Housing Associations to get their view of their role in empty homes work. We received a good response and this report will touch on their views. The report concludes with a section on continuing barriers and recommendations and a look to the year ahead.

Introduction

This is the Scottish Empty Homes Partnership's Annual Report for 2011-12. This report follows on from and refers back to the Baseline Report produced by the Partnership in August 2010 as well as the Partnership's 2010-11 Annual Report. The Baseline Report aimed to give a starting snapshot of where councils in Scotland were with regards to private sector empty homes work. It drew on information gathered through initial meetings with councils by the Empty Homes Coordinator, as well as a questionnaire on private sector empty homes work conducted in 2009 as part of the Scottish Government's Private Rented Sector Review. The 2010-11 Annual Report drew on a wider survey of the Scottish Empty Homes Officer Network which repeated some of the 2009 questions. The same survey was repeated this year.

The 2010-11 Annual Report outlined a number of key priorities to be taken forward into the second year of the Partnership. The different sections of this document correspond to these key measures.

These are:

- Improving Data Collection
- Focusing on strategies and policies (National & local)
- Supporting our members (including developing internal council processes)
- Increased funding and resources for empty homes work

The report will end with several sections which include the Scottish Empty Homes Partnership's progress against current project outcomes, commentary on ongoing barriers and recommendations for empty homes work in Scotland and the project's Year 3 outcomes and milestones.

Background

There are just over 23,000 long term (6 months or more) private sector empty homes eligible for council tax in Scotland. Work on empty homes can achieve positive outcomes with regards to:

- Housing Supply
- Community Regeneration/Town Centre Renewal
- Sustaining Rural Communities
- Restoring Confidence in local property markets
- Discouraging Anti-Social Behaviour (due to fire/vandalism/fly-tipping of empty properties)
- Climate Change and Sustainability

Work on empty homes also represents value for money. The Empty Homes Agency in England has estimated that the cost of refurbishing an empty home is between £6,000 and £25,000. The average cost of a new build home in Scotland is £100,000 or more. And of course when you are bringing an empty home back into use the infrastructure and local services will already be in place.

Empty Homes cannot solve housing supply issues alone, but they can be part of a holistic solution to provide local affordable housing and to regenerate communities.

The Scottish Government 2009's review of the Private Rented Sector identified the need for a national post to support councils who wish to pursue empty homes work. The Scottish Empty Homes Partnership exists to help councils and their partners pursue work to bring private sector empty homes back into use. The project is funded by the Scottish Government and hosted by Shelter Scotland.

The Scottish Empty Homes Partnership began work in June 2010 with a two year lifespan. The project was extended in late 2011 until March 2013.

Since June 2010 much work has been done across the country to promote the value of private sector empty homes work, share best practice from across the UK and help councils to begin to develop policies and processes to bring private sector empty homes back into use.

The process promoted by the partnership has several interlinked steps:

- 1) data collection – finding out where the empty homes are and who owns them
- 2) prioritising – which empty homes to spend time/resources on to meet council goals
- 3) advice and information – providing signposting advice to empty home owners as standard, how to rent, how to sell, how to refurbish

- 4) negotiation – more involved engagement, niggling, nagging, and negotiating with owners to encourage them to bring their property back into use
- 5) incentives – using council schemes such as Private Sector Leasing (PSL), rent deposit guarantee, empty homes loans, or grants to encourage owners to bring their property back into use
- 6) enforcement – where all else fails and the property is still presenting an issue for the community using enforcement to encourage or force an empty home owner to bring their property back into use.

Where councils have embraced the need to do more with regards to private sector empty homes, steps 1-3 have almost universally been adopted. However continuing barriers of financial and most significantly staff resources have meant that they stop short of steps 4, 5, & 6, which are integral parts of the process to bring empty homes back into use. There are some exceptions.

South Ayrshire Council now has the resources for steps 4 & 5 as a result of their successful Innovation and Investment Fund bid for an Empty Homes Recyclable Loan Fund which included funding for a full time Empty Homes Officer.

Two empty homes shared services projects have been set up, co-funded by Scottish Government and member councils. The Homes Again Project, covering Fife Council, West Lothian Council, East Lothian Council, Scottish Borders Council and Dumfries & Galloway Council's Housing Renewal Area, shares 2 full time Empty Homes Officers between them. The West Dunbartonshire/Renfrewshire Shared Services Pilot sees the two councils sharing 1 full time Empty Homes Officer between them.

Inverclyde Council has put £90,000 towards an empty homes pilot project in partnership with Oak Tree Housing Association to give targeted owners small grants to lease their properties as affordable housing.

East Lothian Council continues to have a small pot of money for empty homes grants to owners of below tolerable standard empty homes.

The newly launched Scottish Government £4m National Empty Homes Loan Fund provides an opportunity for more councils to develop projects to cover steps 4 & 5 above, and the government is also consulting on new empty homes housing re-use powers which, if implemented, could help councils to tackle step 6.

It has become very clear over the past year of the project that the barrier to progressing to step 4 specifically is a function of available staff resource, and it is only those councils who have found a way to resource a part or full-time dedicated empty homes officer who have truly begun to embrace this step in the process, which is arguably one of the most

crucial steps as this is where solutions to entrenched issues with long term empty homes are identified and worked through.

Methodology

The baseline report referred to above, drew heavily on survey data collected for the March 2009 Private Rented Sector Review. For the 2010-11 Annual Report, we created two new surveys, which repeat some of the questions asked in this previous survey, as well as expanding it to collect more and different information in order to measure the progress of the Partnership.

The first survey was distributed to all members of the Scottish Empty Homes Officer Network. It was intended to capture views about the Scottish Empty Homes Network and Partnership as well as views on desired changes in Scottish policy with regards to private sector empty homes.

The second survey, sent to the lead officer for empty homes work in each council, broadly covered the topics addressed in the different sections of this document and is an attempt to capture a snapshot of private sector empty homes practice in Scotland.

These surveys were repeated in April/May 2012 with some minor tweaks. A third survey to Housing Associations was also distributed to try to capture some of the views of these potential council partners in empty homes work.

Within this document the Private Rented Sector Review 2009 will be referred to as the PRS Review 2009 survey or the 2009 survey. Reference will also be made to our 2010 Baseline report, our 2011 survey and the survey carried out this year will be referred to as the 2012 survey.

In addition to the data collected through these surveys this report will also draw on a range of other material including:

- Information collected through meetings with Scottish Empty Homes Officer Network members
- Feedback forms submitted at Scottish Empty Homes Officer Network events
- Information available through the Report Empty Homes website
- Previous research included in our 2010 & 11 Reports

Improving Data Collection

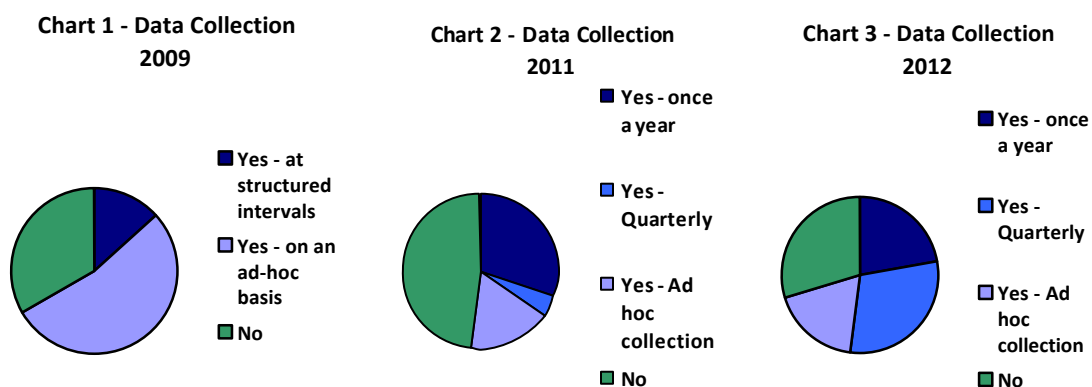
In last year's annual report we committed to do the following in relation to improving data collection:

- work to both increase the number of councils collecting empty homes data and to increase the frequency with which this data is updated
- investigate the potential for GIS and other mapping software to be used by Scottish councils in relation to empty homes
- continue to seek commencement of sec. 157 of the Housing (Scotland) Act 2010

One of the first steps to developing a process for addressing private sector empty homes is producing a picture of how many empty properties are in a given council and where they are located. It is with this data that a council can take a decision as to what level and what type of work they will undertake to bring these properties back into use.

The 2011 survey found that 12 councils reported having a database of private sector empty homes, with a further 5 developing one. This year survey data along with supplemental information from contact with council officers we are aware of 19 councils holding an empty homes database. Again this year the most common source of data for these databases were reported as council tax data, closely followed by information from the reportemptyhomes.com website.

We are also aware of an increase in the number of councils who collect information more frequently, specifically those collecting information on a quarterly basis has increased.



Despite this improvement, it has become clear this year that the development of empty homes databases is still seen as time consuming by council staff. In this year's survey 7 councils told us they didn't have an empty homes database because they 'Don't have staff resources to compile/maintain'.

To try to assist councils to develop their databases the Scottish Empty Homes Partnership this year created an Excel-based Empty Homes Database Template which includes a mechanism for recording all of a councils' information on empty homes in one place as well as including a prioritisation matrix and macro equations to help councils come up with a group of 'priority properties' based on the council's local priorities whether these be area, condition, or willingness of the owner to work with the council. The template is in use by the Homes Again Project Empty Homes Officers as well as the South Ayrshire Empty Homes Officer and has recently been distributed to all remaining councils.

It is the Partnership's aim that supplying this template will make it easier for councils to compile and maintain an empty homes database, and that the number of councils who could answer yes to this question if asked in the coming years will increase.

We also asked councils what they use this data for currently and what they plan to use it for. 7 councils currently use their database to track changes in the total number of empty homes in their area, and a further 6 councils intend to use their database for this purpose. 6 councils use this data to cross check the current status of properties they receive complaints about, with another 5 intending to use the data for this purpose.

12 councils either plan to or are already using their database to send out information to empty home owners about working with the council to bring their property back into use.

9 councils reported that they intend to use their database to prioritise empty homes for pro-active intervention from the council and 3 indicated that they already do this. These numbers do not appear to represent a full picture however as the Partnership is aware of at least 7 councils where pro-active intervention from database sources is underway.

Apart from the issue of lack of staff resources in compiling and maintaining databases, another issue that was highlighted by several participants in this year's survey is that their council tax data does not easily distinguish between empty and second homes which makes the data collection exercise more time consuming. Interestingly, the initial work of the Homes Again Project Empty Homes Officers has resulted in a degree of data cleansing. Where officers have written to empty home owners as indicated by council tax records they have received replies from a number of owners stating either the property was occupied some time ago (in these cases this discovery results in increased revenue for the council through the removal of the vacant dwelling discount from these properties) or it is in fact a second home. With the new vacant dwelling council tax increase powers currently being considered by the Scottish Parliament the role of Empty Homes Officers in compiling and maintaining an accurate empty homes database will be crucial.

Report Empty Homes Website

The Scottish Empty Homes Partnership fund Scottish local authorities to use the Report Empty Homes website. This website, established in England for several years before adoption in Scotland, allows members of the public to report empty homes in their communities that they are concerned about. The idea is that for councils that are signed up, these reports will go straight to a single lead officer within the council who can then respond themselves or pass the report on to an appropriate colleague. This is useful for both the councils and members of the public because it streamlines the process of reporting empty homes. Previously people may have found themselves passed to a variety of different departments with little clarity about whose responsibility it was to deal with the issue.

For councils the data collected in this way can also be useful in supplementing their empty homes database as not all empty homes will have their council tax status correctly recorded. It also highlights where particular properties are causing additional problems to the community.

To date, 27 Scottish councils have signed up to use the website, up from 19 this time last year. Just shy of 500 reports have been received from the public via the website. In this year's survey, we asked councils if they had a process for responding to reports and how quickly they respond. The table below shows that 80% of those who responded are actively using the information collected from the site and responding in a timely fashion. Although not all 27 councils signed up to the site responded to this question we believe these numbers are likely an accurate reflection of use of the site overall.

Unlike in England, where all councils were signed up to the website by the Empty Homes Agency whether or not they had pro-actively decided to join, in Scotland we have taken the approach of seeking active sign up from councils. We believe the fact that 80% of those signed up are responding to reports justifies our decision to seek buy in from councils before signing them up to the site. For the 5 councils who have not signed up to the website, the Empty Homes Coordinator receives any reports received and passes them on to the contact in that council.

Table 1: Council response to reports from www.reportemptyhomes.com

Statement	# of Councils
My council has a set process for responding to reports.	16
Of which:	
I respond to reports as soon as I receive	12

them	
I respond to reports within a set period of time	4
I rarely respond to reports	4
I never respond to reports	0

Last year 6 councils said the website was either useful or very useful. This year 9 councils said it was useful or very useful. One council added:

“It is useful because it flags up empty property that is not currently known from CT[Council Tax] records. Reported empty homes are generally the problem properties where the owners are not known because they are not recorded as receiving any discounts or exemptions.”

Some of the issues raised last year about the website including the vagueness of reports, including the mapping function are still issues this year. As this relies on user input there is little capacity to improve this function of the website. Getting accurate data on exact addresses, where they are not initially given in the report, does rely on some interaction with the reporter from the responding officer. There are implications for staff time in developing such an interaction and several councils have raised concern about how the website can raise the expectation of the public that the council will take action.

Exploring the use of GIS

The number of councils within our survey that indicated they use Geographic Information Systems (GIS) to map the location of empty homes was marginally up from last year. This method has been used successfully by a number of English councils, notably Stoke-on-Trent, to develop empty homes ‘hot spots’ for targeting by empty homes officers. This year Stuart Law of the Scottish Government gave a presentation on the use of GIS for empty homes mapping at the Scottish Empty Homes Seminar in March 2012.

Given that councils are still struggling with the staff resources to compile an empty homes database, it may be that looking to augment this with GIS data is premature at this point. Without further commitment of staff resources to empty homes work, the potential for further exploring the use of GIS for empty homes work may be limited.

Sec.157 commenced

The Scottish Empty Homes Partnership was very pleased to see Sec. 157 of the Housing (Scotland) Act 2010 commenced in October 2011. Sec. 157 made clear that councils have the right to use vacant dwelling council tax information for the purposes of identifying empty homes and seeking to bring them into use. This has cleared the way for a number

of council housing officers to access council tax data, and specifically owner information from council tax colleagues in order to progress the councils empty homes work.

Focusing on strategies and policies (National & local)

Last year we said we would:

- work with identified councils to establish their Empty Homes Strategies/Action Plans
- promote further devotion of staff resources to private sector empty homes work
- produce a paper detailing recommendations for legislative/policy change to encourage private sector empty homes in Scotland to be brought back into use

Both the PRS Review 2009 survey, our baseline report and last year's Partnership report tried to establish the extent to which councils are prioritising private sector empty homes work. One way of measuring this is to track whether councils have highlighted empty homes work in their Local Housing Strategies, Private Sector Housing Strategy or via a distinct empty homes strategy.

Local Housing Strategies

Local Housing Strategies (LHS) form the basis of a council's approach to housing issues, including housing supply, homelessness support and their scheme of assistance. While councils will take their own decisions as to what role empty homes work might play in meeting their goals, it would seem sensible that where empty homes work is pursued, the basis for this work should be found in the Local Housing Strategy. Indeed there is a strong case to be made for the role that filling empty homes can play in meeting the outcomes that councils have highlighted in these strategies such as:

'increasing the supply of affordable housing'

'to develop mechanisms to improve choice and access to affordable housing across all tenures'

'to stimulate demand in areas that are less popular or have investment needs'

'Promoting a mix of housing tenures and types to meet the needs of all communities'

Starting with the research to compile our baseline report we have carried out a desktop review of councils' local housing strategies each year, we have therefore carried out this exercise 3 times so far. Our baseline report found that 16 had some mention of private

sector empty homes. A repeat of this exercise, in 2011, found 17 included a reference to private sector empty homes. This year the numbers have significantly improved. A repeated desktop review this year following the refresh of a number of Local Housing Strategies found that 24 councils now have some mention of private sector empty homes. This is a very encouraging improvement and we aim to help councils translate the commitments they have set out in these strategies into practical action on the ground.

A number of these councils have addressed the issue of empty homes in some detail and 8 councils have included targets to bring empty homes back into use.

A further 4 councils indicated in this year's survey that they are planning to address it in their next LHS.

Other strategies

There may be other places, either in addition to or underpinning Local Housing Strategies, where councils have articulated a commitment to empty homes work. The most likely places where this could be found are within a council's Private Sector Housing Strategy or in a stand-alone Empty Homes Strategy.

5 councils this year reported inclusion of empty homes work within their private sector housing strategy.

In addition, 3 councils stated they had a standalone empty homes strategy, up from 0 last year. Supplemental data about the intentions of councils to develop empty homes strategies can be found in our desktop study of current Local Housing Strategies. 5 councils (in addition to the 3 councils who already have an empty homes strategy) have expressed within their LHS that they will develop an empty homes strategy over the lifetime of their current LHS.

National Developments

This year there have been a number of national developments with regards to private sector empty homes policy and funding.

The Local Government Finance (Unoccupied Properties, etc) Bill was introduced to the Scottish Parliament. If this bill and subsequent regulations are passed, this will give local authorities the power to remove the vacant dwelling discount on long term empty properties as well as giving them the power to charge up to 100% council tax increase on empty properties that have been empty for a year or more.

The Scottish Empty Homes Partnership has been involved in giving written and oral evidence to the Local Government and Regeneration Committee. We stressed the need for use of these powers to be part of a wider approach to bringing private sector empty homes back into use that includes advice and information for owners, negotiation and incentives, with the council tax increase and other enforcement powers applicable when the rest of this work has failed.

The results of a group of questions in our survey about councils' intention to use these new powers is below in the section on funding and resources.

The Scottish Government is also currently consulting on a Community Empowerment and Renewal Bill. This consultation includes a number of questions relating to private sector empty homes work enforcement powers and specifically, whether there is a need for a new empty homes housing enforcement/re-use power. This is an issue that was raised in previous surveys and has continually come up as an issue in conversations between councils and the Empty Homes Coordinator. Indeed one of the recommendations in last year's report was:

- Investigation of additional enforcement powers for Scotland in conjunction with pilot schemes for the use of CPO on private sector empty homes.

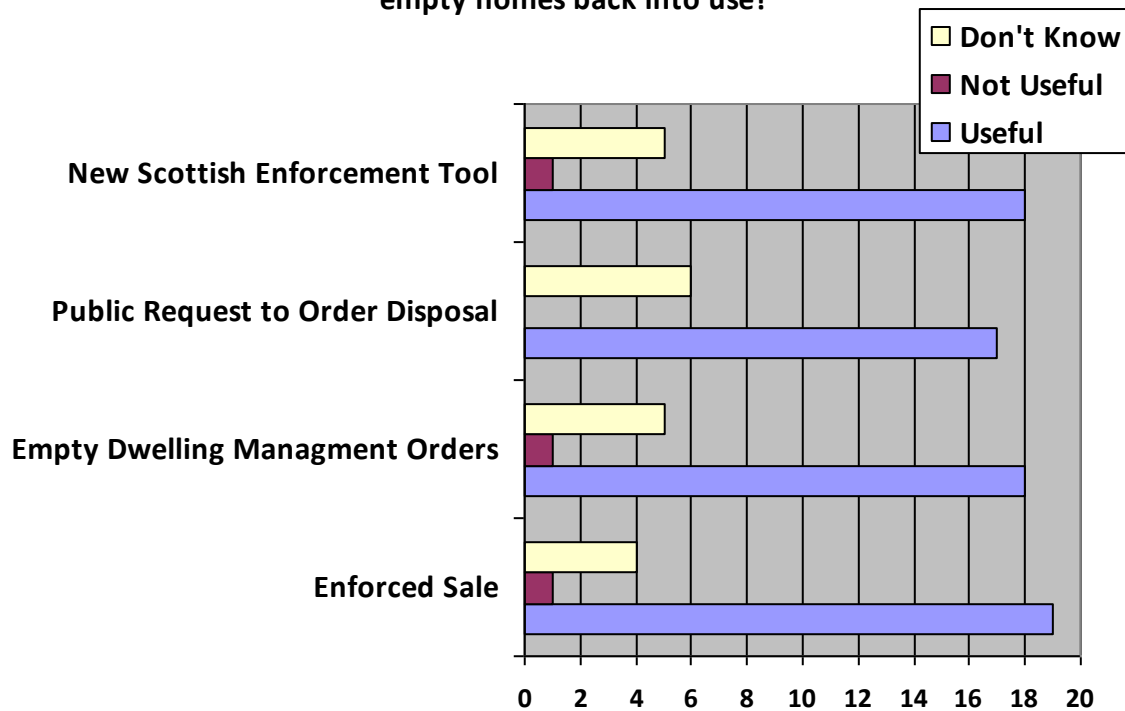
Several problem empty properties were identified for potential use of compulsory purchase. However, the councils in question expressed concerns that the process of carrying out a compulsory purchase order is too time consuming and expensive to pursue for single empty homes. As a result, these cases have not been progressed.

The Partnership has since submitted an outline of an alternative Housing Re-Use Power to Scottish Government as an alternative to compulsory purchase for empty homes that could enable councils to either lease or sell an empty home and to recover the costs they incur while doing so.

As part of the 2012 survey we asked members of the Scottish Empty Homes Officer Network 'Do you believe that LA's have sufficient powers to bring empty properties back into use?' Of the 24 who answered this question the feeling was fairly evenly split with 11 answering yes, 10 answering no and 3 saying they were unsure. Of those 10 who said no they were then asked in a free-form box what would be beneficial. All but 3 of these responses called for either introduction of new enforcement powers, (enforced sale and empty dwelling management orders were referenced) or to make it easier to use compulsory purchase powers.

We then asked specifically about different enforcement tools not currently available in Scotland:

Chart 4: Do you think the following would be useful in bringing empty homes back into use?



Lastly, on the national level, the Scottish Government has recently launched a £4m National Empty Homes Loan Fund open to councils, RSLs and other organisations to bring private sector empty homes back into use as affordable housing. We are currently helping our members to prepare bids to this fund and hope that a number of interesting projects will emerge from it.

Supporting our members

Last year we said we would:

- continue to build the Scottish Empty Homes Officer Network and ensure that the tools, learning opportunities and relationship building it enables are useful to members
- continue to raise the profile of empty homes work to provide network members with the legitimacy to devote more energy to this area of work
- Work with councils to help them achieve the goals they have set for themselves to bring empty homes back into use
- Work to increase the number of councils who feel they have the tools needed to bring empty homes back into use

- continue to raise awareness of potential tools and encourage their use in appropriate circumstances
- continue to facilitate introductions between potential partner organisations and encourage partnership working via the Scottish Empty Homes Officer Network

The Scottish Empty Homes Officer Network

Along with the specific detailed survey to empty homes lead officers, we surveyed the members of the Scottish Empty Homes Officer Network to ask them their opinions on the work of the Partnership.

We asked members of the network what the result of their involvement with the Partnership has been:

Table 2: Outcomes of involvement with Scottish Empty Homes Partnership

Result of involvement with SEHP	No. of responses
Opportunities to discuss empty homes work with other officers/organisations	20
Increased knowledge of empty homes	21
Data collection	12
A new approach to empty homes in your organisation	9
Adoption of new tools/methods	10

We asked members to rate the usefulness of the one to one advice from the Empty Homes Coordinator. 17 of the 22 members who responded rated the advice as useful or very useful, with 2 rating it as not useful.

We also asked members to rate the usefulness of the Scottish Empty Homes Officer Network website. 16 of respondents rated it either useful or very useful. It is also worth noting that this year saw the move of the network site from the Communities of Practice for Public Service portal to the new Knowledge Hub site. It has taken some time for members to get used to accessing this new site, but visitor numbers are now back up to the level they were before the switchover and contributions from the new full time empty homes officers have increased overall activity on the site. It is hoped that this will over time increase the perceived usefulness of the site to network officers.

This year the Scottish Empty Homes Partnership held its first Scottish Empty Homes Conference in November 2011 as well as a Seminar focusing on using data and demonstrating practical solutions engaging with empty home owners.

There were 78 delegates at the Scottish Empty Homes Conference which was held in Edinburgh. Speakers included Empty Homes Chief Executive David Ireland, South Ayrshire Council's lead officer for empty homes Kevin Anderson and a variety of expert speakers giving workshops on particular topics. The day also included a consultation session with the Scottish Government on the proposed Vacant Dwelling Council Tax Increase.

In our feedback form for the conference we asked delegates if the conference would affect how they deal with the topics raised on the day. 91.6% of those responding said it would. When asked in what way, we received a number of comments including:

"A number of ways to address empty homes and look forward to drawing on these in developing our approach"

"Feedback to senior management on possibilities"

"Given me contacts and ideas to carry forward"

The Seminar, held in March in Glasgow focused on using an empty homes database effectively and implementing practical solutions for working with empty home owners such as Matchmaker Schemes and Developer Days. 28 members of the network attended the seminar. When asked the same question as that asked at the conference, about whether the seminar would affect how they deal with the topics raised, all of those who filled out our feedback form indicated that it would affect their practice. When asked in what way the following comments were left:

"Generated lots of ideas on how various approaches can be used in my local area"

"Data cleaning and different places to go to ensure owner details are correct"

"Has given me some ideas on how to start collecting and collating information on empty homes. Also a chance to speak to other officers and share ideas."

In the free form box at the end of our survey to the network there were also a number of comments about the work of the Partnership. One comment was received expressing concern about the move of the reportemptyhomes.com website to the Channel 4 Great British Property Scandal portal and stating that this had resulted in a loss of functionality.

Other comments received were positive, highlighting the role the partnership had played in helping to raise the issue of empty homes as well as expressing a continuing desire for information and case studies about what works:

“SEHP very useful in keeping empty homes up on the agenda and provides access to a range of helpful and useful information.”

“The Partnership has proved to be very useful and supportive in stimulating local authorities and social landlords to look at ways of bringing empty homes back into use. Examples have been provided of successful projects and initiatives and this has encouraged us and our RSL partners to undertake a pilot project that will, hopefully, be expanded to meet an established need for good quality, affordable accommodation often of size and types and in locations that are not generally available through social landlords.”

“I have received excellent support from Shelter staff in relation to empty homes.”

“Happy with the support provided. This has been invaluable in bringing the issue of empty homes, albeit small in our area, to the attention of different departments and partner organisations.”

“With other Council’s being supported by Empty Homes Officers it would be helpful to find out how their strategies develop and case studies so we can tap in to that knowledge.”

Empty Homes brought back into use

One of the challenges the Partnership has faced has been accurately recording the numbers of private sector empty homes being brought back into use in Scotland by councils or their partners. We have become aware of a limited number of cases through our survey and other contact with councils, but we don’t believe this accurately reflects the work of councils overall where empty homes work can sometimes be taken forward by a variety of departments within a council, for example, or where councils have not responded to our survey.

In the last 3 months full time empty homes officers have begun to take up post in the shared services councils and also in South Ayrshire. We strongly expect that the number of empty homes brought back into use as well as our ability to track them will be much improved by this time next year. We also believe that this year, what staff resources were available in councils to progress empty homes work was for the most part used to develop databases, strategies and pilot projects, including putting in place the shared services pilots. It is necessary to put the right processes in place however we will only be able to see empty homes brought back into use and to accurately track them when council staff begin engaging in a concentrated way with empty home owners. We therefore look forward to the results of the work of the 7 shared service pilot councils as well as from South Ayrshire’s Empty Homes Loan Fund and Inverclyde’s Empty Homes Pilot in

partnership with Oak Tree Housing Association. We also look forward to the results of the National Empty Homes Loan Fund bidding process and expect the projects that emerge from that will yield results in terms of numbers of empty homes brought back into use. A 'case closing form' system has been instigated with the shared services projects to record when homes are brought back into use. In other councils where staff are allocated in future to actively pursuing empty homes work the Partnership will likewise encourage use of this system. The database template tool, referred to above should also help in recording the progress of specific empty homes over time.

Last year we asked officers how many empty homes they anticipate being able to bring back into use in the coming year. We repeated the question this year. In 2011 10 councils anticipated bringing empty homes back into use in the coming year, with one having stated a target within their recently renewed LHS. This year 18 councils reported an anticipation that they would bring empty homes back into use. Here is what they said:

Table 3: Number of empty homes local authorities anticipate being able to bring back into use next year

Number of empty homes to be brought back into use	0	1-10	11-25	26-50	50+
Number of Councils	2	8	5	1	2

Not all councils responded to our survey so we also had a look at the specifics of the targets, where they exist, to bring empty homes back into use within council's Local Housing Strategies. Over the lifetime of their strategies, 2 councils had stated a target of around 50 empty homes, 1 stated a target of 100 homes and another stated bringing empty homes back into use as part of the efforts to achieve a 100+ target of better using existing stock. A further 4 had a less specific target to 'reduce' or 'decrease' the number of private sector empty homes in their area.

There are also specific targets that have been set out by the South Ayrshire Empty Homes Loan Fund (10 a year for 3 years), the Homes Again Project (20 per local authority over a year) and the West Dunbartonshire/Renfrewshire Shared Services Project (25 per local authority over a year).

The increased willingness of councils to set such targets and for our members to tell us they anticipate bringing empty home back into use this year does not guarantee that we will see an equivalent number of empty homes brought back to use in the coming year, but it does speak to the capacity of councils to engage in empty homes work as having increased over the past year.

Awareness levels & Use of interventions

As part of work to increase the profile of private sector empty homes work in Scotland, the Partnership has attempted to disseminate good practice examples and inform officers of the various tools and interventions that can be used to bring private sector empty homes back into use.

This year, along with maintaining the flow of best practice information from across Scotland and the UK through the Scottish Empty Homes Officer Network website we also updated our Data Collection Guide to reflect new legislation and developed a number of additional quick reference guides including guidance on when councils can say they have played a role in bringing an empty home back into use.

It is difficult to measure capacity building however this year some positive numbers have been recorded when asked which interventions councils had 'used successfully'.

Table 4: Interventions used successfully by councils

Intervention	# of councils who have 'used successfully'
Writing to owners	5
Providing advice and assistance	10
Conducting a survey	6
Contacting empty home owners as a result of a complaint	10
Private sector leasing	2
Rent Deposit Guarantee Scheme	5
Early Intervention	3
Grants	5

Partnership Working

One way that it is envisaged that the Empty Homes Coordinator can add value for councils is by facilitating relationships and making connections between people, organisations and their shared goals.

We asked our members to describe what types of partnerships they have been involved in and what value this has added.

Some of the comments included:

“Housing Associations have taken ownership where action has been taken on empty homes within their areas. Also in at least one case an empty property was sold on private market – owner was identified before action was initiated”

“Not worked with partners to date but would intend to once strategy is developed”

“Other Councils: Shared service project to fund empty homes officers. Value is that we have someone working on empty homes where previously we didn’t, also some efficiencies in shared projects and documents. Other private companies, e.g. Grafton online – value is that they can do work that benefits a Council at no cost to the Council.”

Two examples of partnership working that the Scottish Empty Homes Partnership can attest to bringing about is the two Shared Services Pilot Projects. The Homes Again Project brought together 5 councils (Fife, East and West Lothian, Scottish Borders and Dumfries and Galloway), sharing 2 full time Empty Homes Officers. The second pilot brings together West Dunbartonshire and Renfrewshire councils to share one full time Empty Homes Officer. These partnerships have enabled member councils to try their hand at dedicated empty homes work without committing to a full time member of staff. They are also able to share efficiencies across the projects.

Housing Associations

One key group of potential partners for Scottish councils pursuing empty homes work are Housing Associations. This year we surveyed housing associations via the Scottish Federation of Housing Associations to gather their current practice and views about engaging in private sector empty homes work. 38 Housing Associations responded. Engaging with housing associations has been a challenge for the Partnership. It is therefore encouraging to have had such a level of response to our survey.

Of those 38 respondents, 26 answered our question about their current development work:

Table 5: Housing Association current development work

The Housing Association I work for:	Number of Housing Associations
Often carries out conversion projects of private empty property to add to stock	1
Has on occasion taken on a refurbishment project on an empty private property to add to stock	9
Is interested in exploring refurbishment of private	11

empty property to add to stock	
Never considers refurbishment of private empty property to add to stock	5

Encouragingly over half of those responding have either on occasion taken on a refurbishment project of an empty property or have an interest in exploring such projects.

To get a clearer picture of the views of those housing associations who responded to our survey on this type of work, we asked them what barriers stood in the way of their housing association getting involved in empty homes work. Key themes that emerged from the answers were financial barriers, particularly relating to the cost of repairing properties to SHQS standards as well as some of the difficulties of working with owners.

It is worth noting that with regards to the second point about working with owners of empty properties, this is where councils can add value to partnership arrangements by making initial approaches and helping to develop packages that form attractive incentives to owners.

We also asked housing associations the opposite question – What opportunities, if any, do you see for HA’s to get involved in private sector empty homes work? Here are a few of their comments:

“There are opportunities for RSLs to continue to contribute to good partnership work if risks and potential liabilities can be better managed. RSLs are generally trusted and have an established presence in local communities; and also a track record with the expertise to set up and manage innovative arrangements. The overall work can be a time consuming dead end, but also has the potential to add to the stock available to meet local housing needs in the right circumstances.”

“I read recently about schemes where prospective tenants were involved in the renovation of empty homes. I think these types of schemes are fantastic as they regenerate areas as well as providing housing, employment and a sense of self worth for those involved.”

“Very few unless can be made financially viable on an individual or multiple basis.”

“Housing associations have the skills to access funding, design, procure and deliver the necessary work, then to manage the completed units.”

Increased funding and resources for empty homes work

Last year we said we would:

- encourage the use of long term vacant council tax revenue for interventions to bring private sector empty homes back into use
- encourage further empty homes bids to any new round of the Innovation and Investment Fund
- advocate for national funding and local adoption of shared services approaches to private sector empty homes work

Staff Resources

There was little difference in relation to the percentage of staff and resources devoted to empty homes work reported within councils between the 2009 and 2011 survey. The 2009 survey found that there were 7 officers that described private sector empty homes work as 'just one part of their job description'. That number remained unchanged in the 2011 survey. In 2012 the picture is somewhat different as a result of the South Ayrshire Loan Scheme and the 2 shared services projects. Of the 18 who answered our question about staff resources the answers reflected what we already knew. Namely, South Ayrshire Council has a full time empty homes officer; West Dunbartonshire and Renfrewshire Council will soon have 50% FTE officer each; the 5 Homes Again Project councils have roughly 33% FTE each; and of the remaining councils one said they had a resource of 10%; and the rest have 5% or less. 3 councils also reported having a budget for empty homes work over and above staff time.

We are pleased about the improvement in staff resources for empty homes work in Scotland, but note that these have come about as a result of specific projects. We feel maintaining this new level of dedicated staff resources and improving on it in other council areas is crucial to seeing a step change in the use of private sector empty homes in Scotland. Many councils have expressed enthusiasm for empty homes work but stumbled when it comes to providing adequate funding of staff resources to implement their intentions. As we detailed above, three quarters of Scottish councils now refer to empty homes in their local housing strategy. In order to action the intentions in these strategies it will be necessary to see more staff with primary responsibility for empty homes work.

Vacant Dwelling Council Tax Discounts

One way councils can raise money to pursue private sector empty homes work is through varying the council tax discount on long term empty properties. Councils currently have the power to vary this discount between 50% and 10%.

Based on the Scottish Government's Council Tax Assumptions Returns, 6 councils applied a 50% discount for long term empty homes in 2011-12, with the remainder applying a 10% discount. In 2012-13, there are now 3 councils applying the 50% discount and the remainder applying a 10% discount.

We asked councils how much money was raised above 50% council tax for long term vacant dwellings last year. 13 councils answered this question but only 5 councils were able to supply a figure. Of these 5 only 1 indicated that some of this money (£90,000) was spent on empty homes work. In this case the money is spent on financial incentives for empty home owners. We faced a similar issue last year, with almost no respondents able to pin point the amount of money raised by the vacant dwellings discount or what it was spent on.

The Local Government Finance (Unoccupied Properties, etc) Bill and related regulations are currently progressing through the Scottish Parliament. If passed, this bill would give councils the power to remove this discount altogether after a property has been empty for 1 year and in addition, to charge up to a 100% extra council tax on these long term vacant properties.

We asked councils if they intended to exercise these powers following the passage of the bill. 19 councils responded. Of these a large proportion (15) answered that they didn't know. Only 3 councils said they would remove the discount and 4 councils said they intended to charge the council tax increase. It is perhaps too early in the thinking of councils to be able to accurately record intentions on these points. Equally it may be that the officers included in this survey have not discussed this issue with the officers in the council who would be taking forward such decisions (presumably finance staff).

Awareness of funding options

In addition to trying to assess where councils are now, in terms of funding for empty homes work, which appears to be extremely low, the Partnership also wanted to measure awareness levels of potential funding sources.

In 2011 and 2012 we asked officers what funding sources they intended to use to pursue empty homes work. This year there was a slight increase in the number of councils who said they intended to use the Empty Homes Loan Fund, compared to the Innovation & Investment Fund last year (the closest equivalent). A small number of councils said this year that they intended to use core affordable housing supply programme monies to pursue empty homes work. Numbers of councils looking to access historic buildings and energy efficiency funding for this work was largely unchanged.

We also asked our members ‘what level of resources do you estimate are needed to deal with empty home owners in your area?’ Very few responded with a numerical figure however the majority of responses listed a full time officer and a budget for loans or grants. Here are a few of the responses:

“Full time officer. Funding for loans to help people bring their properties up to a tolerable standard (with no restrictions on the type of end residential use). Some form of leasing initiative – either PSL or Housing Association equivalent, but for long-term leases rather than temporary ones”.

“A full time officer or equivalent. Enforcement Powers which do not require financial resources to implement. A budget line.”

“c.£1.5m for a dedicated officer, grants for works, and administrative costs.”

National Empty Homes Loan Fund

As mentioned above in the section on national developments, this year sees the introduction of a £4m National Empty Homes Loan Fund open to bids by councils, RSLs and others to bring private sector empty homes back into use for affordable housing. While the size of this pot is not large compared to Wales’ £5m Loan fund or the Homes and Communities Agency in England’s £150m pot for Empty Homes work in England, it is an improvement on where we were last year in that the fund represents a dedicated pot of money for private sector empty homes work rather than being part of a wider funding stream. This should be seen as a significant move forward and the projects that come out of this fund should go a long way to demonstrating how the use of incentives can contribute to efforts to bring private sector empty homes back into use. The Scottish Empty Homes Partnership will support our members in making bids to this fund.

Shared Services Pilots

Resources were secured this year for two Shared Services Empty Homes Pilots. For each pilot the Scottish Government contributed £20,000 and member councils contributed the remainder of the cost in equal shares. As mentioned in previous sections this has resulted in three full time empty homes officers: two covering Fife, East Lothian, West Lothian, Scottish Borders and Dumfries Housing Renewal Area; and one covering West Dunbartonshire and Renfrewshire.

These pilots have obviously increased the staff resource of the participating councils to work with empty home owners. Additionally, the input of funding from councils has demonstrated their commitment to developing their approaches to private sector empty homes work.

Barriers & Recommendations

Staff Resources

The background section of this report described the steps involved in private sector empty homes work that are promoted by the Scottish Empty Homes Partnership. We also indicated that it is staff resources that is stopping some councils from exploring all of these steps to their full potential. Lack of staff time is cited in survey responses as to why some councils have not developed empty homes databases and a 'full time officer' was mentioned frequently by survey responders describing what resources their council needed to pursue empty homes work in their area.

This year has seen a significant increase in staff resources for empty homes work. Next year we would like to see this increase maintained and added to.

Recommendations:

- Scottish Government and Shared Service Member Councils commit to forward funding of the Regional Empty Homes Officers
- Councils bidding to the National Empty Homes Loan Fund should commit dedicated staff time to delivery of projects.

Funding

Access to funding for private sector empty homes work and particularly incentives for owners continues to be an issue for councils. Again this year, there has been improvement in this area, and we hope the £4m National Empty Homes Loan Fund will go some way to enabling projects to get off the ground. However, short term bid funds, even where they focus on recyclable loans, cannot address all aspects of the need for funding for private sector empty homes work.

Along with the Empty Homes Loan Fund there exists an opportunity for councils in the new council tax powers (if introduced) to recycle some of this additional revenue for empty homes work, including help, advice, negotiation, incentives and enforcement.

Recommendations:

- The Scottish Government strongly encourage councils to recycle vacant dwelling council tax increase revenue for use in other aspects of empty homes work as part of their guidance on the associated legislation and regulations.

Enforcement Powers

Half of those who answered our survey indicated that they didn't feel Scottish Councils had the necessary powers to bring empty homes back into use. When seeking pilot projects for compulsory purchase the Scottish Empty Homes Partnership has continually been told that, despite the problems being caused by a particular empty home, councils will not consider compulsory purchase due to concerns about the cost of the process, both in staff time and what they perceive as irrecoverable compensation (although this is dependent on the situation and may be recoverable through sale or could be deferred until after a sale takes place).

While interest has been expressed in English Empty Homes powers by our members, specifically Enforced Sale and Empty Dwelling Management Orders. We believe there is a stronger argument for a Scottish Housing Re-Use power that encompasses the ability to bring a property back into use either for rent or for sale, and allows a council to recover its costs. We welcome the questions in the Scottish Government's Consultation on a Community Empowerment and Renewal Bill that ask if such a power is needed. We believe it is. Without an enforcement power that councils can plausibly and effectively use, many negotiations with empty home owners will not bear fruit as there will be no recourse for the council should the owner not wish to engage.

Recommendation:

- Scottish Government introduce an Empty Homes Housing Re-Use Power in Scotland

Progress on Project Outcomes

The project brief at the commencement of the Scottish Empty Homes Partnership in 2010 set out a number of project outcomes. Below is an attempt to track progress against these outcomes. The project has since been extended to March 2013. The section below will outline the outcomes to be achieved in this third year of the Partnership.

Outcome	Progress
A measurable increase in the number of empty homes brought back into use as a result of direct intervention over the	In progress. Staff resources to enable achievement now

<p>period of the project.</p>	<p>in place in Shared Services Pilots and South Ayrshire Council.</p> <p>Councils have indicated increased expectation of being able to bring empty homes back into use in the next financial year. 8 have set targets.</p>
<p>A number of significant improvements made in flagship projects or high profile properties.</p>	<p>2 practical project homes brought back into use.</p>
<p>Where appropriate, meaningful inclusion of empty homes work within local housing strategies and other key local authority documents along with specific plans and targets to achieve strategic aims.</p>	<p>24 councils now include empty homes in their LHS, 3 councils have Empty Homes Strategies and a further 5 have committed to developing a strategy.</p>
<p>An improved and consistent information base across local authorities and clear recommendations on systems to sustain this.</p>	<p>Small increase in the number of councils with an empty homes database.</p> <p>Development of the Empty Homes Database Template Tool</p>
<p>A self-supporting network of practitioners within local authorities whose experience and expertise on empty homes will continue to be available beyond the span of the project.</p>	<p>Scottish Empty Homes Officer Network has grown to 102 members.</p> <p>Good attendance at network seminars and Scottish Empty Homes Conference.</p> <p>Further capacity building work needed to make this network self-supporting.</p>
<p>A databank of good practice, shared resources and practicable guidance.</p>	<p>Databank of good practice and shared resources has been established and is available through the Scottish Empty Homes Officer Network website.</p> <p>Practicable guidance appears on the website including the Partnerships' 3 primary practitioner guides and various quick reference sheets.</p>

<p>Increased engagement with members of the public in empty homes work.</p>	<p>Just shy of 500 reports received by members of the public on the Report Empty Homes website since its launch in November 2010.</p> <p>Further reports and approaches from landlords and empty home owners received by the Partnership as a result of publicity of the Partnership's work.</p>
<p>Active and ongoing commitment by organisations representing landlords, property owners and letting agents to promote the value of homes being brought into use.</p>	<p>Scottish Land and Estates is a member of the Partnership's advisory group and disseminates information to its members.</p> <p>Homes Again Project is currently developing a Matchmaker Scheme to link property developers/buyers with empty home owners who wish to sell.</p> <p>Links made with letting agents and property developers as part of the Homes Again Project, including provision of discounts for referrals.</p>
<p>A set of recommendations on future developments in policy and practice and a steer as to how they might be pursued.</p>	<p>Paper on policy recommendations published July 2011.</p> <p>Steer on practice can be found within the Partnerships main guides as supplied to the Scottish Empty Homes Officer Network.</p> <p>A further paper recommending the development of a Housing Re-Use power submitted to Scottish Government July 2012.</p>

Year 3 priorities

The Partnership's work was originally due to finish in June 2012. In order to allow momentum in developing private sector empty homes work in Scotland to continue, the Scottish Government agreed to further fund the Partnership up to March 2013. Below are the agreed continuing priorities and milestones for this third year of the project. As stated throughout this document we believe that part of achieving a number of these priorities and milestones is dependent on the Partnership placing a strong emphasis on increase staff capacity within councils to undertake dedicated private sector empty homes work. This will be a strong theme of Year 3 of the Partnership's work.

Continuing Priorities for 2012-13

- Continue to support the practice community through information-sharing, providing accurate guidance and template tools
- Support the three locally-based shared service empty homes officers to achieve their targets of aiming to bring on average fifty empty homes back into use per officer per year
- Continue meetings and other regular contact with local authorities, housing associations and other relevant private sector and community bodies to encourage them to carry out work to bring empty homes back into use
- Provide support to local authorities and other bodies who have been awarded or are applying for funding for empty homes projects in developing and implementing their projects, including in particular the implementation of schemes to offer loans to empty home owners to enable them to refurbish and bring their homes back into use.
- Support councils who wish to prepare to use council tax powers in advance of the new legislation (the Local Government Finance (Unoccupied Properties etc.)(Scotland) Bill and subsequent regulations) coming into force
- Continue to undertake research into new enforcement tools as required in order to assist the Scottish Government in preparing legislative proposals
- Maintain the empty homes network contact database and expand the portfolio of practical projects to bring empty homes back into use
- Maintain Scottish Empty Homes Partnership web presence on the knowledge hub and manage successful migration from the Communities of Practice website
- Host a minimum of two empty homes seminars per year

Milestones for success measurement

Whilst having regard to the achievement of the priorities above, the success of the project will be measured based on the progress during 2012-13 in achieving the targets set out below:

- Provide a minimum of one good practice example of an empty home(s) brought back into use or of initiatives taken by local authorities to tackle empty homes in Scotland per quarter
- Ensuring at least five more local authorities feature empty homes commitments as a key part of their housing strategy and/or set target to return additional empty homes to use by March 2013
- Ensuring at least five more local authorities have the following specific tools in place by March 2013:
 - a) An empty homes database
 - b) An advice package for empty home owners
- Promote the use of empty homes loans schemes or other financial incentive schemes to local authorities by highlighting current good practice examples, with the aim to have more local authorities taking part in or considering using such schemes by March 2013.