

SUBJECT OVERVIEW AND SCRUTINY COMMITTEE 3 - WEDNESDAY, 21 MARCH 2018

**MINUTES OF A MEETING OF THE SUBJECT OVERVIEW AND SCRUTINY COMMITTEE 3
HELD IN COUNCIL CHAMBER - CIVIC OFFICES ANGEL STREET BRIDGEND CF31 4WB
ON WEDNESDAY, 21 MARCH 2018 AT 09:30**

Present

Councillor JC Spanswick – Chairperson

SE Baldwin	TH Beedle	N Clarke	DG Howells
A Hussain	RMI Shaw	G Thomas	E Venables
JE Williams			

Apologies for Absence

P Davies, RM Granville, DRW Lewis and RME Stirman

Officers:

Sarah Daniel	Democratic Services Officer - Scrutiny
Michael Pitman	Business & Administrative Apprentice
Andrew Rees	Senior Democratic Services Officer - Committees

Invitees:

Jennifer Ellis	Housing Strategy and Investment Manager, RCT Council
Jonathan Flower Andrew Jolley	Senior Strategy Officer Corporate Director Operational & Partnership Services
Martin Morgans	Head of Performance and Partnership Services
Jonathan Parsons Councillor Dhanisha Patel	Group Manager Development Cabinet Member for Wellbeing and Future Generations
Helen Pembridge Councillor Hywel Williams Councillor Richard Young	Team Leader - Neighbourhood Services Deputy Leader Cabinet Member Communities

30. DECLARATIONS OF INTEREST

The following declarations of interest was made:

Councillor E Venables declared a prejudicial interest in agenda 5 – Empty Properties as she owns two empty properties. Councillor Venables withdrew from the meeting during consideration of this item.

31. APPROVAL OF MINUTES

RESOLVED: That the minutes of the meetings of the Subject Overview and Scrutiny 3 of 17 January and 12 February 2018 be approved as a true and accurate record.

32. FORWARD WORK PROGRAMME UPDATE

The Scrutiny Officer reported on items which had been prioritised by the Corporate Overview and Scrutiny Committee which included the next item delegated to this

Committee to consider. She also presented a list of further potential items for comment and prioritisation and requested the Committee identify any further items for consideration using the pre-determined criteria form.

Conclusions

- (1) That the Committee approved the feedback from the previous meeting of this Committee and noted the list of responses including any still outstanding;
- (2) The Committee noted that it had been delegated an item on Emergency Housing for its next meeting;
- (3) Identified further detail required for other items in the overall FWP at Table B of Appendix B;
- (4) Considered the completed criteria forms at Appendix C and determined whether it wished to add these proposed items to the FWP.

33. URGENT ITEMS

The Chairperson accepted a presentation by Jennifer Ellis, Housing Strategy and Investment Manager, RCT Council on the approach taken by RCT Council to tackle empty properties as urgent in accordance with Part 4 (paragraph 4) of the Council Procedure Rules within the Constitution, in order that it be considered in conjunction with the report on Empty Properties.

34. EMPTY PROPERTIES

The Committee received from a presentation by Jennifer Ellis, Housing Strategy and Investment Manager of RCT Council on its approach in tackling empty properties. She stated that the approach in tackling empty properties was borne out of having 3,375 empty properties in 2014/15, which represented 2% of the stock, compared to the picture in BCBC where it has 2,800 empty properties, representing 2% of the stock. RCT Council had established a Scrutiny Working Group, which came up with a series of recommendations, amongst which was to identify funding opportunities, to have a targeted approach, awareness raising and advice and information.

The Housing Strategy and Investment Manager informed the Committee that high and demand areas were considered, recognising that a one size fits all approach was not appropriate, as there were stark differences between communities in the north and south of the Borough in terms of the demand for housing. A postal survey was sent to owners of properties which had been empty for 6 months in order to get a greater understanding of the condition of properties and the intentions of the owners.

She highlighted the Council's role, the resources and projects devoted to tackling empty properties and she also highlighted a case study which had seen the Old Town Hall in Aberdare brought back into use. RCT Council had approved 117 Empty Property Grants to date totaling £2.2m in 2018/19. The Housing Strategy and Investment Manager outlined the enforcement approaches taken by RCT Council. RCT Council planned to re-establish a Virtual Empty Properties Team; a new empty property strategy; increase scale; identify further funding sources and opportunities to work regionally and undertake further research to underpin new approaches.

The Corporate Director Operational and Partnership Services informed the Committee of the approach undertaken by BCBC which was being pulled together by the Head of Performance & Partnership Services. He also informed the Committee that the Council had approved a post of Empty Properties Officer and he sought a recommendation from the Committee as to how best to proceed with resourcing the post. He stated that excellent support continues to be received from Shared Regulatory Services (SRS) and

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there is an option for SRS to fulfill this role due its expertise in dealing with derelict properties and with the service having cover arrangements in place, as opposed to employing one officer directly with no cover arrangements.

The Head of Performance & Partnership Services informed the Committee that a cross Directorate Working Group has been established, with its first priority to establish what the landscape is in terms of the scale of empty properties, compared to other local authorities in Wales and UK wide. He stated that there is currently significant activity in tackling empty properties; however Directorates had not previously operated cohesively in dealing with the problem. He also informed the Committee that there is significant best practice on how to tackle empty properties and SRS has significant information on its property data base. A questionnaire is being finalised to be sent to owners of empty properties.

The Committee questioned whether interviews had taken place to recruit to the post of Empty Properties Officer. The Corporate Director Operational and Partnership Services informed the Committee that the post had not been recruited to as he had to wait for the budget process to be finalised. He stated that an option would be using the expertise of the SRS in dealing with the problems associated with empty properties. The Cabinet Member Wellbeing and Future Generations commented that the SRS would have resilience within its service for the Empty Properties Officer function. The Committee asked whether this would be an additional member of staff within the SRS. The Corporate Director Operational and Partnership Services informed the Committee that it was proposed that this Council would fund the post within the SRS and it would add to the resources within the SRS. The Committee questioned whether there was capacity within the SRS to cope with the empty properties work if BCBC adopted a similar approach to that adopted by RCT Council. The Corporate Director Operational and Partnership Services commented that he would expect to tackle empty properties on the basis of firstly making quick wins, which would then be offset by a reduction in performance as more difficult problems are tackled. He stated that a tougher aspect would be the use of enforcement and compulsory purchase powers. He informed the Committee that the SRS is experienced in dealing with empty properties and operates to a high level of performance.

The Committee referred to the properties which had been empty for 6 to 24 months and considered that it needed a blended approach in targeting those properties to bring them back into use to avoid them falling into the next category of being empty for 2 years or more.

The Committee referred to the entitlement to a 3 month rate free period applicable to shops and offices and the 6 month rate free period applicable to factories and warehouses under Business Rates legislation after which a full charge is applicable and questioned the success rate in collecting business rates on those empty properties. The Head of Performance & Partnership Services informed the Committee that the activity to be undertaken by officers in tackling empty properties will address the non-payment of business rates on empty properties.

The Committee asked whether it would be possible for officers to look at reducing the level of business rates to encourage businesses to remain in town centres in order to avoid a pop up culture of businesses occupying premises. The Head of Performance & Partnership Services stated that an assessment would be made of the businesses who pay business rates and those who do not with Council Tax. The Senior Strategy Officer, Housing informed the Committee that shops which are empty are entitled to a 3 month rate free period and thereafter would become liable to be charged business rates.

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The Committee referred to the 116 empty private commercial properties within Bridgend Town Council's area and commented that this was not sustainable and there was a need to tackle the cause of empty properties. The Committee questioned the numbers of properties which have been un-banded by the Valuation Office Agency. The Committee was aware that Pembrokeshire Council intended levying a 150% charge on a property which has been left empty and unfurnished. The Cabinet Member Wellbeing and Future Generations commented that it would be good to gauge the views of the Committee on what charge to be levied. The Corporate Director Operational and Partnership Services informed the Committee that a further report could be considered by the Committee on progress being made in bringing empty properties back into use. The Head of Performance & Partnership Services informed the Committee that officers are in the process of establishing un-banded properties which would be the subject of a further report.

The Committee referred to the performance by other local authorities in bringing empty properties back into use. The Head of Performance & Partnership Services informed the Committee that authorities record their empty properties differently and he believed that this authority's performance would remain the same.

The Committee asked what approach is taken by RCT Council in relation to private landlords. The Housing Strategy and Investment Manager informed the Committee that landlords will purchase properties and subsequently find that there is too much work to make the property habitable and will then abandon the property. This was not the case with properties purchased on social housing estates.

The Committee commented that performance in bringing empty properties back into use was better in Bridgend compared to Cardiff. The Team Leader - Neighbourhood Services informed the Committee that Cardiff Council has appointed an Empty Properties Officer in 2017 with the aim of improving performance. She stated that the Vale of Glamorgan Council do not have an Empty Properties Officer and instead use the SRS.

The Committee questioned whether the allocation of £900,010 for Houses into Homes had been spent. The Senior Strategy Officer, Housing stated that this funding is recyclable and can be used again. The full allocation has been spent and approximately 50% of the funding had been repaid and was available to provide interest free secured loans to owners of empty properties.

The Committee questioned what BCBC could learn from RCT's approach to tackling empty properties. The Head of Performance & Partnership Services informed the Committee that an in-depth questionnaire to owners of empty properties would be devised and officers could attend property auctions. He stated that owners / developers carrying out works to empty properties could be notified of the availability of VAT discounts in information packs which are sent out.

The Committee questioned was it a fair reflection that only 2 Section 215 notices had been served under the Town and Country Planning Act 1990 in the past 2 years. The Group Manager Development stated that it was a true reflection; however there is limited scope for using such Notices, due to there being absentee land owners and land owners who may have limited funds to carry out works. He stated that the serving of Section 215 notices would be considered in the right circumstances.

The Committee questioned whether debt would be built up following work being carried out in default. The Team Leader - Neighbourhood Services stated that an enforced sale could take place where works are carried out in default. The Committee asked whether restrictions could be placed on owners to ensure that properties are brought back into

use to when properties are purchased through an enforced sale. The Corporate Director Operational and Partnership Services stated there was a need to ensure that people who buy empty properties are committed to bring them back into use. The enforcement powers at the disposal of the authority are not dedicated to solving the problem of empty properties.

The Committee requested clarification of the charge of £50 per hour during an enforced sale procedure. The Team Leader - Neighbourhood Services clarified that a great deal of work is undertaken as part of an enforced sale of a property and to a number of site visits necessary, the serving of notices and attending auctions. The Corporate Director Operational and Partnership Services stated that the authority was not permitted to make a profit and was confident that the hourly rate is correct.

The Committee questioned the reason why it was not possible to quantify the potential loss of council tax receipts due to empty properties and why the authority had not imposed a premium to the standard rate of council tax on long term empty properties. The Corporate Director Operational and Partnership Services stated that the issue needs to be treated corporately as Directorates had previously taken their own views on the treatment of empty properties.

The Committee asked whether there is scope to have Member representation on the Empty Properties Working Group. The Corporate Director Operational and Partnership Services advised that it is the role of officers to make policy and report to Members. The Head of Performance & Partnership Services commented that a priority of the Working Group would be to carry out a scoping exercise to identify and map where empty properties are located compared to where the areas of housing need are.

The Committee thanked the invitees for their attendance.

Conclusions

Members recommended that BCBC recruit their own dedicated Empty Properties Officer. Members understood that BCBC has major problems in the Borough with the number of properties being empty and stated it was essential that BCBC have their own dedicated officer to address the issues in the Borough. Members further recommended that once the Empty Properties Officer is appointed that they become a co-ordinator of the Empty Properties Working Group.

Members recommended that officers take a more blended approach to targeting empty properties and bringing them back into use to prevent properties falling into the longer term category of being empty for two years plus, which members believed would lead to them becoming more difficult and costly to bring back to use. Members further recommended that officers take a targeted approach as the representative from RCT described in relation to empty properties in high density areas.

Members recommended that officers are more proactive in their approach to bringing empty properties back into use and explore what tools and resources were readily available to them. Members used the example of officers in RCT attending property auctions in the area to share information with new owners on what support and grants were available to them to bring the properties back into use was an excellent one and one that BCBC should look to replicate.

Members were concerned about the high number of empty churches and chapels in the Borough and recommended that officers attempt to contact the owners to establish what their long term plans for the properties were and report back to Members.

Further Information requested

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Members asked to receive evidence on how successful other Local Authorities have been in bringing empty properties back into use where they have charged 100% upwards Council tax on properties after they have been empty for longer than 6 months. Members felt they would then be better informed to put a recommendation forward on how BCBC should proceed for charging Council Tax on empty properties and whether charging a higher rate of Council Tax is encourages owners to bring the properties back into use.

Members asked to receive further information on the properties that have been un-banded by the Valuation Office Agency. To include reasons why the properties would not have been banded and how many of these are there within BCBC.

Members requested information on what the average loss of Council tax looks like in BCBC due to empty properties in the Borough. Members recommended using the average Band D property to be able to quantify the loss.

Members asked of the 1200 properties liable for the 50% charge on Council tax for empty properties, how much of this are BCBC successful in receiving.

Members requested to keep this item on the Forward Work Programme and revisit in 6 months' time to see how officers have progressed in bringing empty properties back into use in the Borough.

The meeting closed at 12:05