

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO CABINET

30 JUNE 2020

REPORT OF THE CHIEF EXECUTIVE

VALLEYS TASK FORCE EMPTY HOMES GRANT – PHASE 2

1. Purpose of Report

The purpose of this report is to seek approval from Cabinet to:

- 1.1 enter into Phase 2 of the Valley Task Force Empty Homes Grant Scheme;
- 1.2 agree a 35% match contribution towards each grant awarded;
- 1.3 Enter into a new Service Level Agreement (SLA) with Rhondda Cynon Taff County Borough Council (RCTCBC) for Phase 2; and
- 1.4 delegate authority to RCTCBC to deliver and manage the Empty Homes Grants within the Valleys Task Force Area of Bridgend for Phase 2.

2. Connection to corporate well-being objectives/other corporate priorities

2.1 This report assists in the achievement of the following corporate well-being objective/objectives under the Well-being of Future Generations (Wales) Act 2015:

- **Supporting a successful sustainable economy** – taking steps to make the county borough a great place to do business, for people to live, work, study and visit, and to ensure that our schools are focussed on raising the skills, qualifications and ambitions for all people in the county borough.
 - To support local people develop skills and take advantage of opportunities to succeed.
- **Helping people to be more health and resilient** – taking steps to reduce or prevent people from becoming vulnerable or dependent on the Council and its services. Supporting individuals and communities to build resilience, and enable them to develop solutions to have active, healthy and independent lives.
 - To give people more choice and control over what support they receive by providing early access to advice and information.
 - To reduce demand through targeted early help and intervention programmes.
 - To develop more active, healthy and resilient communities working in partnership with the third sector, town and community councils and community groups.

- To create town centres and communities that improve the quality of life for citizens
- **Smarter use of resources** – ensure that all resources (financial, physical, ecological, human and technological) are used as effectively and efficiently as possible and support the creation of resources throughout the community that can help to deliver the Council's well-being objectives
- To work collaboratively to make the most of public assets.

3. Background

- 3.1 The Ministerial Taskforce for the South Wales Valleys was set up by the Welsh Government in July 2016. The Valley Task Force has a delivery plan called 'Our Valleys, Our Future' and has seven focus areas, including housing. The Minister for Housing and Local Government agreed to support the Valleys Taskforce by rolling out an Empty Homes Grant to all local authorities in the Valleys Taskforce areas as a pilot for the period from October 2019 to the end of March 2020. Cabinet approved Bridgend County Borough Council's (BCBC) participation in the Empty Homes Scheme on 19th November 2019.
- 3.2 BCBC entered into a Service Level Agreement (SLA) with RCTCBC for Phase 1 (the pilot) of the Empty Homes Scheme, which run from October 2019 – March 2020. No financial contribution was made by BCBC for this phase of the Empty Homes Grant scheme.
- 3.3 The Phase 1 of the Empty Grants Programme, recorded the following results:

LA	EOI	Applications
Bridgend	<u>17</u>	<u>11</u>

There has been 8 successful applications for phase 1.

- 3.4 Empty private sector homes represent a wasted resource and financial expense both to the owners and the council and in many cases a missed opportunity to provide much needed affordable housing for residents. Not only are they a waste of a valuable housing resource, but they can cause a blight to communities and distress to residents affected by their unsightly appearance, and attract crime and anti-social behaviour.
- 3.5 Over the last few years, the council has developed many tools and approaches to encourage empty homes to be brought back into use which have had a positive impact.

- 3.6 This grant will furthermore support the delivery of the Council's and Welsh Government's priority of returning empty properties into use in the Valleys areas of Bridgend County Borough, to help regenerate communities, provide more choice and suitable accommodation for residents.

4. Current Situation / Proposal

4.1 Overview of current situation

- Welsh Government have awarded funding of £4,500,000 for phase 2 to RCTCBC to support the roll out of the Rhondda Cynon Taf Empty Homes Grant Scheme across all the Valleys Taskforce Areas.
- BCBC has been asked to enter into Phase 2 (April 2020- March 2021) of the Empty Homes Grant scheme and agree a match funding contribution of 35% towards each grant based on the amount of empty property grants the authority want to support. BCBC are required to provide match funding per grant awarded up to £20,000. Any additional grant funding over this amount shall be fully funded from the grant. The Grant award is up to a maximum of £25,000 and is broken down as follows:
 - A total of £25,000 grant available (£5,000 is for energy efficiency improvements which are fully funded).
 - Local Authority contribution is 35% of £20,000 = £7,000 per property if full grant is applied for.
 - Home Owner/ Client contribution is 15% = £3,000 per property if full grant is applied for.
 - RSL/Council Owned properties to make a 35% contribution = £7,000 property if full grant is applied for.
- There will be a new Service Level Agreement for phase 2 between BCBC and RCTCBC, to enable RCTCBC to administer the funding in the Bridgend Valley Taskforce area and to comply with the conditions of the funding from Welsh Government.
- Where an application is made by a RSL, the Council shall not be providing any match funding. The RSL shall make the application to RCTCBC and shall provide their own match funding. Any potential state aid implications of this shall be a matter for RCTCBC.

4.2 Proposal - Eligibility and Conditions of Valleys Task Force Empty Homes Grant Scheme

General requirements of the scheme

- Applicants must be owners or prospective owners, who intend to occupy the empty home as their main residence, for a minimum 5-year period from the date of the certification of grant aided work (Grant condition period).

- RSLs and LAs (with housing stock) must intend to rent the home (the LA will have the nomination right) for a minimum 5-year period from the date of the certification of grant aided work (Grant period condition).
- The property must have remained unoccupied for a period of 6 months prior to purchase and at the time of the grant application. Council Tax records will be used to verify this timescale.
- Applicants are required to make a mandatory contribution of 15% of the total cost of eligible works. The mandatory contribution will be waived for applicants in financial hardship.
- Ancillary fees can be added to the cost of works limits, these can include Building Regulation Fees, Planning Fees, Legal Fee to register the charge and Land Registry Fees.
- A Full Legal Charge will be placed on the property by RCTCBC in its favour. Full repayment will be requested if the property is sold, or not occupied as intended during the 5 year grant condition period.
- RSLs and Local Authorities with housing stock will be required to make a mandatory contribution of 35% of the total cost of eligible works.
- The grant will only be awarded for eligible work identified by the Authority's surveyor. Only essential repair works required to make the home safe, secure and free from any category 1 hazards and the installation of energy measures to support the home to become more energy efficient, will be considered.
- Not all applicants will receive the maximum grant award. No grant assistance will be awarded where the total assessed work is under £1,000.
- The completion of all eligible work is a requirement to grant payment being released. If the cost of eligible works exceeds the £25,000 grant maximum (£20,000 repairs and/or energy measures and £5,000 energy measures only), the applicant would be responsible to finance the excess cost. Applicants should ensure that they have the finance available to complete the eligible works.
- Any work completed prior to the survey and grant approval will not be eligible for the grant.
- To promote bringing empty homes back into use that are warmer and healthier homes the Valleys Taskforce is able to provide additional funding to help with the installation of energy efficiency measures as part of the empty homes grant.

Delegation of authority to RCTCBC to administer the Empty Homes Grant Scheme in BCBC's administrative area within the Valleys Taskforce Area

- RCTCBC is responsible for the delivery and management of the Empty Homes Grant Scheme throughout the areas of the Valley Taskforce local authorities. As a result, BCBC is required to delegate authority to RCTCBC to deliver and manage the Empty Homes Grant Scheme in the Valleys Taskforce area of Bridgend. This shall include:
 - Reviewing applications and, if appropriate, challenging applications based on name and address and flag for

further review/investigation any that raise concerns regarding future occupancy.

- Checking the date property became empty with BCBC Council Tax department.
 - Approving applications
 - Approving that works have been carried out in accordance with grant conditions and arranging payment of the grant and issuing completion certificates.
 - Notifying BCBC Council Tax department of grant completion.
 - At the annual anniversary of grant completion, the name of occupant is checked with BCBC Council Tax department to check occupancy and that property is still occupied.
 - On a sample basis (10%) annual verification checks that require the grant recipient to provide proof of occupation e.g. Water Bill.
- As the responsibility for the delivery and management of the scheme in the Valley Taskforce Area of Bridgend lies with RCTCBC, BCBC is required to undertake the following:
 - Promote the grant within the Bridgend Valleys Task Force area.
 - BCBC Council Tax department to provide RCT with confirmation via email that a property has been empty for 6 months plus.
 - BCBC are to undertake investigations to check identity
 - BCBC to check property is in a Valley Task Force area.

- 4.3 A requirement of the SLA is for BCBC to supply surveyors and bill RCT for their time. If BCBC do not have a surveyor internally to carry out the work they are expected to appoint an external surveyor. BCBC shall follow its Contract Procedure Rules to appoint external surveyors. Surveyor's costs are capped at RCT CBC's GR9 staff rate of £21.98/hour.

Surveyors are expected to:

- Undertake a full condition survey of the work to establish if it is eligible for grant assistance and the value of the cost of work.
- Verify any unforeseen work requests and produce a schedule of unforeseen work which shall be provided to RCTCBC. Any additional grant funding for unforeseen work shall require Match Funding.
- Carry out the final inspection to ensure that the works have been carried out in accordance with the schedule of works and notify RCTCBC.

4.4 Future Projects:

- 4.4.1 No further Empty Homes Grants for the Valley Task Force area are currently being proposed.

4.5 Risks and issues

4.5.1 This is a low risk project for phase two as the match funding from BCBC does not need to be paid upfront but will need to be in place once the works have been approved.

4.5.2 No issues are anticipated from this phase of the grant programme.

4.6 Next Steps

4.6.1 Cabinet will need to consider the above proposals and determine whether to progress with phase two of the scheme. If the decision is made to proceed, the next step is for BCBC to:

- Review the SLA with RCTCBC to administer the grant within the Valleys Task Force of Bridgend County Borough and enter into the SLA.
- Agree to provide match funding for the scheme

5. Effect upon Policy Framework and Procedure Rules

5.1 There are no effects upon BCBC's Policy Framework or Procedure Rules

6. Equalities Impact Assessment.

6.1 An initial Equality Impact Assessment (EIA) screening has identified that there would be no negative impact on those with one or more of the protected characteristics and an EIA status of low priority is considered appropriate at this stage.

7. Well-being of Future Generations (Wales) Act 2015 implications.

7.1 The Well-being of Future Generations (Wales) Act 2015 assessment is annexed to the report at Appendix A. A summary of the key elements are as follows:

- Long Term: The proposal to bring empty homes back into use as part of the scheme will drive local prosperity, by offering better environments to promote the health and wellbeing of those who live, work and Valleys of Bridgend in the long term.
- Prevention: By improving and bringing empty homes back into use, preventing them from getting into disrepair.
- Integration: The grants programme will provide opportunity to deliver a set of physical and social improvements through re-developing vacant, poor quality, under used or derelict empty homes.
- Collaboration: The project will allow property owners in collaboration with the council to tackle poor quality and unattractive properties; offering these properties a new lease of life and therefore enhancing the physical appearance and opportunities for people to buy homes in the Valleys area of Bridgend.
- Involvement: Investing in a community offers a means to connect with local stakeholders. Strong, resilient communities will reinforce

the regional and Welsh culture which is a key feature in promoting visits and tourists to the area.

8. Financial Implications

- 8.1 As part of the MTFS 2020-21 to 2023-24, which was approved by Council in February 2020, match funding of £105,000 was included within the capital programme towards phase 2 of this scheme. This will enable total grant approvals of up to £300,000 for home owners within the Valleys Taskforce Area of Bridgend. Should grant approvals look to exceed this amount, a further report will be brought back to Council for additional match funding.

9. Recommendation(s)

- 9.1 It is recommended that Cabinet :
- 9.1.1 Approves entering into Phase 2 of the Valley Task Force Empty Homes Grant Scheme;
 - 9.1.2 Notes and accepts the risks and issues highlighted in paragraph 4.5;
 - 9.1.3 Delegate authority to RCTCBC to deliver phase 2 of the Empty Homes Scheme and manage the scheme within the Valleys Taskforce area of Bridgend in accordance with paragraph 4.2;
 - 9.1.4 Delegate authority to the Head of Operations - Communities Services, in consultation with the Section 151 Officer and Head of Legal, HR and Regulatory Services, to negotiate and agree the terms of the service level agreement with Rhondda Cynon Taf County Borough Council and enter into the service level agreement.

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Chief Executive
03/06/2020

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Background documents

None

WELL-BEING OF FUTURE GENERATIONS (WALES) ACT 2015 ASSESSMENT

WELL-BEING OF FUTURE GENERATIONS (WALES) ACT 2015 ASSESSMENT

Project Description (key aims):

The Valleys Task Force Empty Homes Grant programme aims to bring empty properties back in to use that have been empty for six months or more. The grant offers funding towards improvements for owner occupiers and first time buyers.

Section 1	Complete the table below to assess how well you have applied the 5 ways of working.
Long-term	<p>1. How does your project / activity balance short-term need with the long-term and planning for the future?</p> <p>Empty private sector homes represent a wasted resource and financial expense both to the owners and Council and in many cases a missed opportunity to provide much needed affordable housing for residents. Not only are they a waste of a valuable housing resource, but they can cause a blight to communities and distress to residents affected by their unsightly appearance to attract crime and social behaviour.</p> <p>Over the last few years, the Council has developed many tools and approaches to encourage empty homes to be brought back into use which have had a positive impact.</p> <p>This grant will furthermore support the delivery of the Council's and Welsh Government's priority of returning empty properties into use in the Valleys areas of the Bridgend County Borough, to help regenerate communities, provide more choice and suitable accommodation for residents and furthermore complement concurrent programmes such as <i>Local Wellbeing Plans</i>.</p> <p>The regeneration planned for the Valleys Empty Homes as part of this project will drive local prosperity, providing support home owner occupiers and offering better environments to promote the health and wellbeing of those who live, work and visit the Bridgend Valleys.</p> <p>Short term benefits will see the enhancement and re-use of poor quality, unattractive, run down and dilapidated properties. This will support the empty homes team to tackle vacant, poor quality and unattractive properties; offering these properties a new lease of life and therefore enhancing the physical appearance of the streetscape and public</p>

	<p>realm. .</p> <p>Projects will encourage empty properties to come back into use by supporting owner occupiers and first time buyers. This will produce a number of benefits; empty and underutilised properties will be revitalised, breathing new life into the valleys, improving the image of the local area making it a more attractive place in which to visit or invest; more affordable housing will be readily available and the housing offer will improve. Quality housing will support the delivery of healthy communities.</p>
Prevention	<p>2. How does your project / activity put resources into preventing problems occurring or getting worse?</p> <p>This project will aim to bring empty homes back into use, preventing them from getting into disrepair.</p>
Integration	<p>3. How does your project / activity deliver economic, social, environmental & cultural outcomes together?</p> <p>The project will focus on delivering a set of physical and social improvements through re-developing empty homes. This will generate opportunities for good quality affordable homes for people in the Bridgend Valleys.</p>
Collaboration	<p>4. How does your project / activity involve working together with partners (internal and external) to deliver well-being objectives?</p> <p>The project will allow property owners and first time buyers work with Valleys Task Force and Bridgend CBC to get empty properties back in use.</p>
Involvement	<p>5. How does your project / activity involve stakeholders with an interest in achieving the well-being goals? How do those stakeholders reflect the diversity of the area?</p> <p>Investing in a community offers a means to connect with local stakeholders. Strong, resilient communities will reinforce the regional and Welsh culture which is a key feature in promoting visitors and tourists to the area. Increased visitor numbers will help to make the Cardiff Capital Region a more prosperous environment.</p>

Section 2 Assess how well your project / activity will result in multiple benefits for our communities and contribute to the national well-being goals		
Description of the Well-being goals	How will your project / activity deliver benefits to our communities under the national well-being goals?	Is there any way to maximise the benefits or minimise any negative impacts to our communities (and the contribution to the national well-being goals)?
<p>A prosperous Wales</p> <p>An innovative, productive and low carbon society which recognises the limits of the global environment and therefore uses resources efficiently and proportionately (including acting on climate change); and which develops a skilled and well-educated population in an economy which generates wealth and provides employment opportunities, allowing people to take advantage of the wealth generated through securing decent work.</p>	<p>The project will be specifically dealing with poor quality dilapidated and underutilised property; bringing them back into full use, for residential end uses. Inequality will be reduced by facilitating more people to benefit from sustainable growth. Empty Home investment will lead to improved confidence and will specifically concentration on tackling regional inequality by helping the most deprived communities and those people with the lowest household income to access support affordable housing.</p>	<p>Project officers will closely review and monitor the way the project is delivered to ensure that it remains fit for purpose, of a high quality and value for money.</p>
<p>A resilient Wales</p> <p>A nation which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic and ecological resilience and the capacity to adapt to change (for example climate change).</p>	<p>The project will promote opportunities for building healthier communities and better environments by developing good housing and job creation. This will lead to a positive contribution to good quality physical and mental health.</p>	<p>Project officers will closely review and monitor the way the project is delivered.</p>

A healthier Wales A society in which people's physical and mental well-being is maximised and in which choices and behaviours that benefit future health are understood.	People in Wales will enjoy better health for longer through decent housing and quality environments. The investment will offer support for good housing and will also have a positive contribution to mental well-being	Project officers will closely review and monitor the way the project is delivered.
A more equal Wales A society that enables people to fulfil their potential no matter what their background or circumstances (including their socio economic background and circumstances).	This project will provide owner occupiers to be able to improve their homes and provide opportunity for first times buyers to get on the property ladder.	Project officers will closely review and monitor the way the project is delivered.
A Wales of cohesive communities Attractive, viable, safe and well-connected communities.	<p>People will feel that they have a stake in their community if that area can provide access to good housing, jobs, public services and leisure facilities.</p> <p>Bringing empty properties back in to use will help to build resilient communities, culture and language. Communities prosper where people can fully participate in their local environment.</p> <p>New housing will bring cohesive communities into the Bridgend Valleys and local facilities will be maintained.</p>	Project officers will closely review and monitor the way the project is delivered.
A Wales of vibrant culture and thriving Welsh language A society that promotes and protects culture, heritage and the Welsh	The project presents a way to link with local stakeholders.	Compliance with the Welsh Language act will be monitored as the project progresses.

language, and which encourages people to participate in the arts, and sports and recreation.	During the marketing stage for this project all material / documentation was sent out in the Welsh and English language. On initial dialogue with applicants they were asked if they would prefer to correspond in Welsh or English.	
A globally responsible Wales A nation which, when doing anything to improve the economic, social, environmental and cultural well-being of Wales, takes account of whether doing such a thing may make a positive contribution to global well-being.	Investment in new quality, energy efficient housing will contribute to sustainable energy consumption.	Project officers will closely review and monitor the way the project is delivered

Section 3 Will your project / activity affect people or groups of people with protected characteristics? Explain what will be done to maximise any positive impacts or minimise any negative impacts			
Protected characteristics	Will your project / activity have any positive impacts on those with a protected characteristic?	Will your project / activity have any negative impacts on those with a protected characteristic?	Is there any way to maximise any positive impacts or minimise any negative impacts?
Age:	Yes - greater building accessibility	No	Review of project progress
Gender reassignment:	n/a	No	Review of project progress
Marriage or civil partnership:	n/a	No	Review of project progress
Pregnancy or maternity:	Yes - greater building accessibility	No	Review of project progress
Race:	n/a	No	Review of project progress

Religion or Belief:	n/a	No	Review of project progress
Sex:	n/a	No	Review of project progress
Welsh Language:	Yes – provision will be made to ensure that peoples preferences are respected and catered for	No	Review of project progress

Section 4	Identify decision meeting for Project/activity e.g. Cabinet, Council or delegated decision taken by Executive members and/or Chief Officers
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Cabinet

Compiling Officers Name:	Nicola Lewis
Compiling Officers Job Title:	Senior Regeneration Officer
Date Completed:	17/06/2020