

CapacityGRID™

Connect. Virtual. Service.



London Borough of Bromley

Empty Properties & The New Homes Bonus

A fast-track review to ensure accuracy and better targeting of empty properties and gain essential funding for local homes.

25 November 2011

EMPTY PROPERTIES & THE NEW HOMES BONUS

1. Why empty properties need to be inspected earlier.

Legislation with strategic and financial incentives.

The New Homes Bonus (NHB) is an initiative to tackle the national shortfall of residential housing by providing £8,652.32 (Band D) for each empty property returned to use. With an estimated 80,000 empty properties in London alone, Councils in the capital could have a significant impact on alleviating the housing crunch and generate an estimated £692m in New Homes Bonus funds.

The New Homes Bonus provides Local Authorities funding for additional properties added to the Council Tax database. The funding is available for new properties and for empties, identified on the Return as Long-Term Empties (i.e. empty for at least six months), which are brought back into use during the year. This is based on the difference between the number of empty properties reported each year compared with the previous year. It is calculated as a rate for each property based on the national average Band D and is paid over six years.

Reducing long-term empty properties is an essential contributor to Bromley's Sustainable Community and Housing Strategies which respond to the need to increase the availability of housing to help alleviate homelessness and address housing need, especially in recognition of the housing build decline and the current economic downturn. An innovative approach has been adopted to ensure the objectives of this Empty Property Strategy are more effectively met.

Over 2,000 properties to review

With a small, dedicated New Homes Team, Bromley is taking action in two key ways. First, it assists owners of empty properties to get them occupied and, if necessary, returned to a suitable standard of accommodation offering small grants and loans of up to £10,000 for refurbishment and repairs. Where negotiation fails enforcement action is threatened and if necessary taken to bring a property back into use.

However, with around 1,000 'Empty Properties' to review and with about 100 additional properties falling empty every month, there are on average over 2,000 properties requiring an inspection. The Council's Empty Property Officers now have full access to the Council Tax systems which has provided them with far better visibility and support than was available through their existing complaints database, given them access to details of owners, correspondence and historical data. Bromley's two empty property officers do not have the capacity to visit and chase every property owner and the introduction of the NHB has made it increasingly important to undertake this activity.

EMPTY PROPERTIES & THE NEW HOMES BONUS

2. A faster way to identify occupied 'empties' in time.

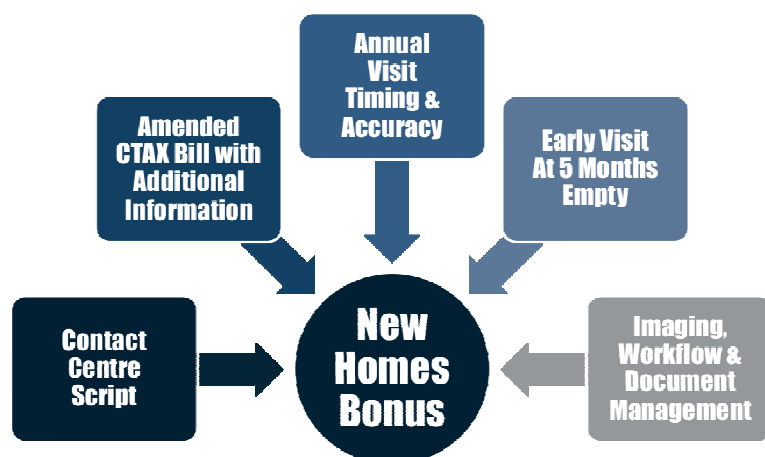
A fast-track review with high accuracy, high return and no risk.

The Capacity GRID™ provided an integrated “fast-track review” that yielded an additional £725k for the authority. A specialist team, operating on behalf of the Council, was able to quickly complete the entire process, thoroughly checking every empty property and accurately identifying occupied properties that were previously listed as empty. This included a physical inspection, speaking to neighbours, a survey and photograph providing more detailed information on every empty property to help the Council prioritise appropriate enforcement action and identify properties that could be of particular use.

Combining experienced inspectors with efficient workflows and immediate access to a virtual network of back-office CTAX specialists, the entire review process was completed in less than half the normal time. But accuracy and quality were not jeopardized for speed – by accessing extensive practical Council Tax knowledge, the specialist Capacity GRID™ team prevented the risk of property misclassification or legislative mis-interpretation.

With the review process now separated, the New Homes Team has once again been freed up to focus on its enforcement duties using technology-supported processes and ‘virtual’ workflow. Productivity has increased due to workload prioritisation and management, and customer service has improved through quicker turnarounds and more accurate information.

The five elements of an integrated fast-track review.



DIAGRAM

The five elements of an integrated “fast-track review”: an approach proven to produce a significant return on investment with greater accuracy and no risk and which also helps to prioritise and support a more manageable workload for the Empty Homes Team.

EMPTY PROPERTIES & THE NEW HOMES BONUS

1. Contact Centre Script

The Contact Centre is usually the first point of access for owners to advise the Council when a property is empty, however generally there is no discussion about any future plans. By testing the best way to include this question early-on in the service scripts, Bromley advisors now get an indication of the likelihood of a property becoming a Long-Term Empty. This enables the Council to make earlier contact with the owners and provide them with details of the potential grants or loans available to assist them with bringing the property back into use.

2. Amended CTAX Bill with Additional Information.

When the Council is advised that a property is empty an amended bill is sent. Previously the Council's Empty Properties Team sent out an enquiry/advisory letter but only after the property had been empty for six months. Bromley now includes additional information with each amended bill so owners are informed sooner of available assistance and possible enforcement criteria such as Empty Dwelling Management Orders (EDMOs) to persuade them to bring Long-Term Empties into use more quickly.

3. Annual Visit Timing & Accuracy.

The key time for Councils to benefit from a reduction in empty properties is the beginning of October. Between July and September 2011, the Capacity GRID™ team focused on identifying occupied properties that were listed on Bromley's Council Tax system as 'empty'. During this period all properties were visited which would have been empty for six months or more at the date of the Return. Just before the October deadline this also included revisiting properties where there was a possibility that it was about to be occupied, e.g. renovations nearing completion or the presence of sales or letting boards. Empty Property Officers are provided with an inspection form for all properties. In some cases there is specific information about ownership, occupancy, property class and, where a property is for sale/let, the name of the estate agent. The survey sheets also are checked by the LBB Empty Property Officer's. This approach ensures the Council Tax system is as up-to-date and accurate as possible.

4. Early Visit At 5 Months Empty.

Traditionally, focus is given to visiting properties which have been empty for six months just to confirm they are not occupied. Increasing the amount of information collected during these visits, including photographs, property condition, age, size, agency boards and even neighbours' comments assists the Empty Properties Team to better assess the property's potential to be brought back into use. By visiting properties at five months empty (rather than six months), it becomes easier to identify occupied properties in advance, reducing the number of long-term empties at any given time. This task is performed between October and June.

5. Imaging, Workflow & Document Management

Using a standard database of empty properties has proven to be less efficient than the integrated systems approach offered by the Capacity GRID™. By giving the Council access to the same imaging, workflow and document management systems used by the Capacity GRID™, it has been able to process work at a far higher rate, collating, sharing, collaborating both management and inspector information (such as photographs and reports) between the Inspectors, the Contact Centre

EMPTY PROPERTIES & THE NEW HOMES BONUS

and the Council Tax Team. This information provides far more detail to Council staff and supports a better and more efficient service as well as assisting where enforcement action becomes necessary.

3. Letting the results speak for themselves.

Greater efficiency, a more responsive service and essential new funding.

As a direct result of this fast-track review, the New Homes Team now provides a more responsive and efficient enforcement service. The entire inspection and review process was conducted at over twice the speed, achieving greater accuracy and covering every listed empty property. In October 2011, the total number of long-term empty properties recorded on the Council Tax database reduced by 82 (approximately 9% of the original 'empties' list), attracting a bonus of approximately £725k over six years. This award minimises losses in funding for the building of new homes and provides essential and dependable additional funding that will continue even if the numbers of empty properties rise in subsequent years.

Lessons learned.

A proactive approach, following visits where possible occupations are identified, has been proven to produce results. Where canvas/enquiry forms are left at the property, actively chasing these is also important to reduce non-response and maximise the accuracy of the database. The Capacity GRID™ team and Bromley are now exploring ways to optimise the process further including assessing the possibility of commencing targeted Annual Visits in mid-August to test whether owners of a number of the properties previously identified in July would have informed the Council of occupation anyway without the need for a visit.

Contact for further information.

If you would like to discuss this case study or would like further information contact Sandra Dacombe on 020 8315 1407 or email sandradacombe@liberata.com