Empty Homes Strategy for Northern Ireland: Final Report

Housing Executive

The Regional Housing Authority

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EMPTY HOMES STRATEGY FOR NORTHERN IRELAND: FINAL REPORT

1 Introduction

1.1 The Review into Affordable Housing[1] published in April 2007 (the Review) commented on the number of empty homes in Northern Ireland. Having considered the Review, the Minister for Social Development asked the Housing Executive to take the necessary steps to develop a strategy which will address some of the issues around empty homes.

1.2 In its recommendations the Review highlighted "the need for a more pro-active approach to empty homes in both the social and private sectors". The Review made a number of proposals with a view to making better use of this asset:

- A new system of rating should be introduced to provide for 100% liability on private sector properties vacant for 6months or more, rising to a 200% liability if vacant for a year or more.
- The Northern Ireland Housing Executive should act as the Empty Homes Agency for Northern Ireland and should be responsible for producing a strategy to tackle the high level of empty homes. The Review identified a number of issues that should be addressed by the strategy and these may be seen in more detail at Appendix 1.
- The Department for Social Development should introduce legislation similar to the English Empty Dwelling Management Orders.

Having considered the Report prepared by Sir John Semple, and in line with the Ministers request, the NI Housing Executive is progressing the development of a strategy for empty homes. The terms of reference have been agreed as follows – "**To examine the scope for meeting housing need by bringing back into use empty homes in both the private and social housing sector and to develop an Action Plan to this end".**

1.3 Empty homes can impact on neighbourhoods, communities and residents in a number of ways. These include:

- Blight and neighbourhood degeneration
- Acting as a focus for antisocial behaviour
- Putting pressure on existing housing stock and affordable accommodation

[1] Review into Affordable Housing Final Report Spring 2007, DSD

- Devaluation of neighbouring properties, leading to a loss of equity for home owners and a disincentive to maintain their homes
- Loss of revenue as rates are not levied on empty properties in the private sector
- Creating pressure for Greenfield development to meet housing demand.
- Increased housing supply

1.4 Empty homes represent opportunities:-

- In areas of high demand, by identifying the location of empty homes and taking into account the housing stress the possibility exists to match those properties which are available or can be brought into use with minimal cost with people in need of accommodation.
- An empty home may be symptomatic of market failure or a housing market at risk of collapse. Measures that allow timely and appropriate intervention could prevent further decline and contribute to broader regeneration and renewal strategies.

1.5 This final report highlights for the Minister some of the issues surrounding empty homes and the steps proposed to address the issues.

2 The Housing Market and Empty Homes

2.1 There are a variety of reasons for properties being vacant in both the public and private sector, while these are often complex, there are four main categories which can be identified.

1. *Failing Housing Markets.*
   A failing housing market is characterised by high levels of turnover, lower than average house prices and a high level of empty homes. In N.Ireland, Estate Strategies and Sectoral Studies e.g. the North Belfast Strategy have been targeted at those discrete areas which demonstrated some of the characteristics of a "Failing Housing Market". However, with continued investment in the residential sector and buoyant property prices, few areas could be deemed to fall into this category.

2. *Rural Unfitness/Disrepair*
   The levels of unfitness tend to be higher in peripheral rural areas. The 2006 House Condition Survey[2] (HCS) shows that the levels of unfitness in Fermanagh (7.4%) Ballymoney

[2] 2006 House Condition Survey – Preliminary Findings, NIHE

(5.5%) Moyle (6.5%) and Newry and Mourne (5.3%) while having reduced considerably since 2001 are still above the headline rate of 3.4% for Northern Ireland. Unfitness is increasingly associated with vacancy with the proportion of unfit dwelling which are vacant having risen from 44.4% in 2001 to 57.7% in 2006. It is also the case that most unfit dwellings were built before 1919.

3. *Investment Properties*
   Investors are primarily concerned in the current market, with capital gain. This is reflected in the recent tendency to 'buy-to-leave' particularly in respect of new properties. It is reasonable to predict that changes in interest rates could change investor behaviours and those properties could become available for letting or owner-occupation.

4. *Second Homes*
   A home used as a weekend cottage e.g. by the owner or as a holiday let would be excluded from any strategy as they would not normally be considered as vacant property.

2.2 While empty homes may fall into these broad categories there may be valid reasons for them being empty and why the vacancy period extends beyond six month e.g.

- Genuinely on the market for sale or letting.
- Awaiting statutory approvals for improvement work to proceed.
- Awaiting completion of probate, or the subject of a court order freezing the property of the owner.
- The occupier is temporarily resident elsewhere through work or incapacity.

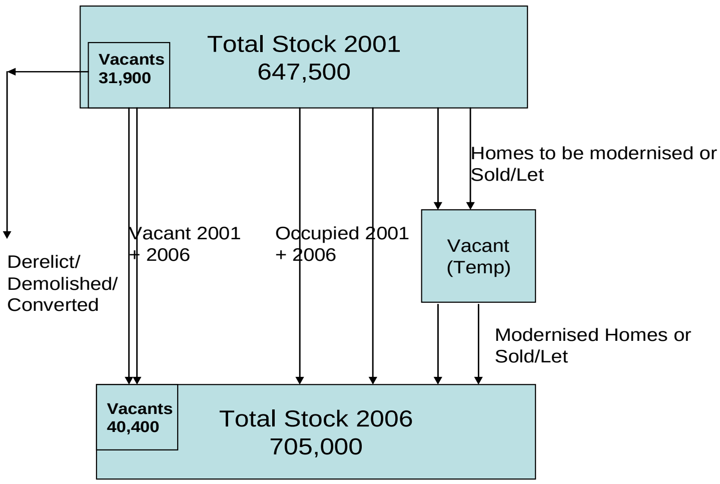
Properties in these categories will be part of the normal "churn" within the housing market. They are part of a continually changing group of properties which are required to provide essential flexibility within the market.

3 The Scale and Characteristics of Empty Homes

Flows

3.1 The flows in and out of vacancy between 2001-06 are illustrated below and show the normal dynamics of the housing market.

Flows in and out of Vacancy 2001-2006



<u>Scale</u>

3.2 Preliminary findings from the 2006 House Condition Survey which is based on a sample of more than 7,000 dwellings indicate a significant increase in the number of vacant dwellings in Northern Ireland – from 31,900 (4.9%) in 2001 to 40,400 (5.7%) in 2006. There are two key reasons for this:

- The ongoing depopulation of the remoter peripheral rural areas of Northern Ireland associated with a decline in the number of viable farms and the growing number of new service related jobs in the larger urban centres.

- The growth in the private rented sector where there is traditionally a much higher level of vacancy. This has been compounded in recent years by a rapid growth in buy-to-let fuelled by the huge increase in house prices. This in turn has enabled some investors to make significant profits without the need to go to the trouble of finding and managing a tenant for their properties.

3.2.2 The preliminary findings from the 2006 House Condition Survey provide further evidence which confirms the importance of these underlying factors. It also enables the Housing Executive to build up a comprehensive profile of vacant properties in Northern Ireland.

3.2.3 Set out below are comparisons of the key characteristics of vacant homes in Northern Ireland in 2001 and 2006 – their location, dwelling type, age, tenure and condition. In the light of the Semple report's recommendations on vacant homes, the analysis has also been carried out on the basis of whether they have been vacant for more than six months or not.

Location

3.3 From a comparison of the tables and diagrams below we can show the broad location of vacant homes in Northern Ireland:

- A significant proportion of vacant properties (24.5%; 34.1% in 2001) – and particularly those which have been vacant for more than 6 months, (40.2%; 47.7% in 2001) – continue to be found in isolated rural areas.

2001 Urban/Rural Location Vacant Homes			
	Less than 6 Months	More Than 6 Months	Unknown
BMA	3400	2800	3300
District/Other Town	3300	2700	400
Small Rural Settlement	2400	2400	300
Isolated Rural	2600	7200	1100
Total	11700	15100	5100

Table 1 Number of vacant homes 2001

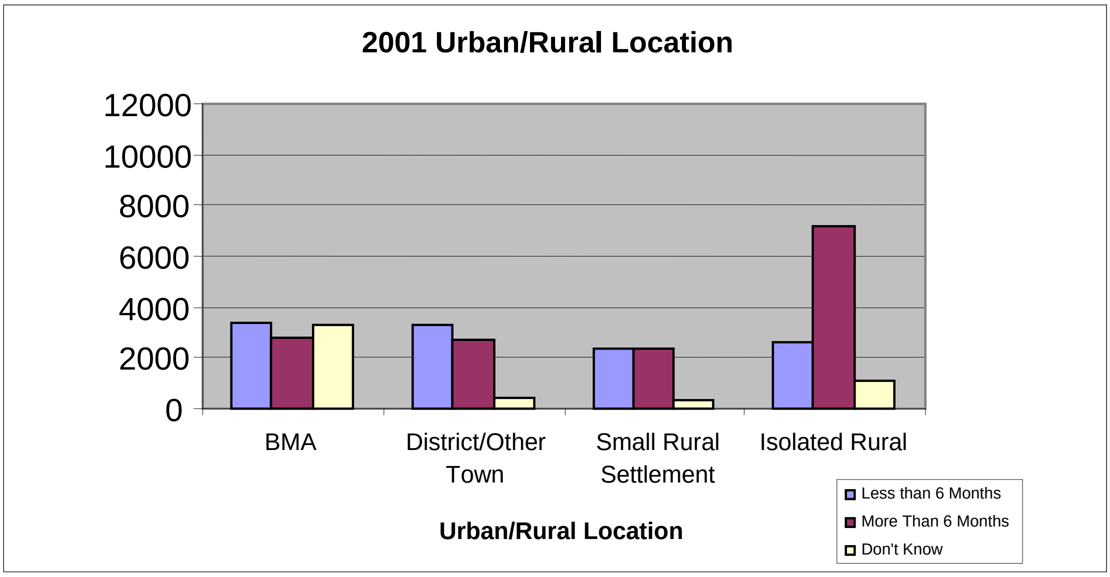


Figure 1 Vacant Homes by Location 2001

- However, by far the most significant increase in the number and proportion of vacant properties is in the Belfast Metropolitan Area - from 9,500 (29.8%) in 2001 to 14,500 (35.9%) in 2006. The rise in the number of properties vacant for less than six months in particular has grown rapidly (from 3400 in 2001 to 9600 in 2006) reflecting the high levels of churn typically found in the growing private rented sector in the BMA.

- However, there has also been a significant growth in the number of vacant properties in District/other towns, again at least partly reflecting the growth of the private rented sector in these locations.

2006 Urban/Rural Location Vacant Homes			
	Less than 6 Months	More Than 6 Months	Unknown
BMA	9600	3500	1400
District/Other Town	5000	4800	800
Small Rural Settlement	2300	3000	100
Isolated Rural	1700	7600	600
Total	18600	18900	2900

Table 2 Number of Vacant Homes 2006

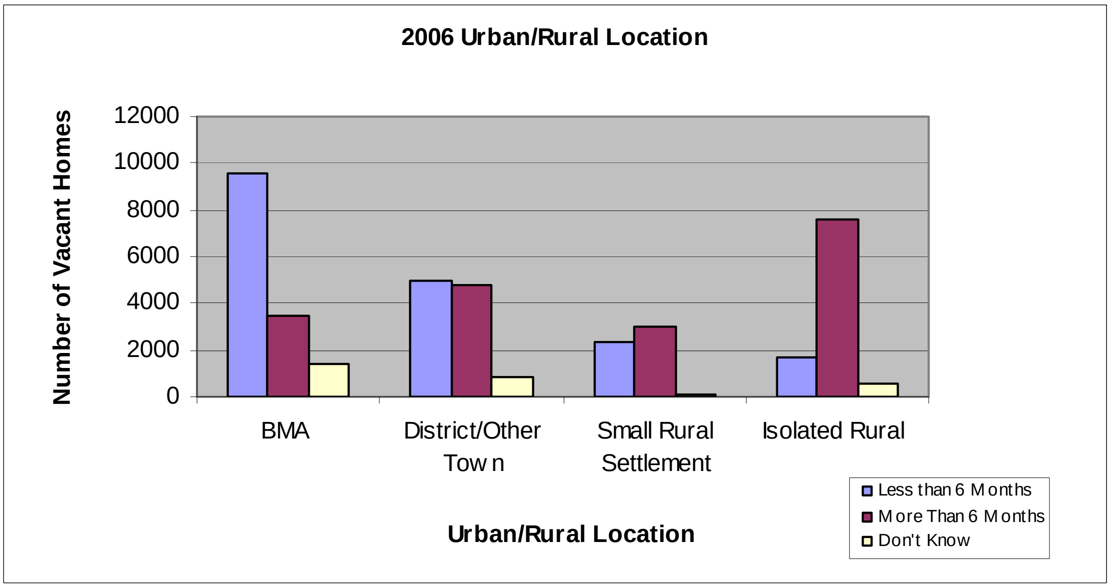


Figure 2: Vacant Homes by Location 2006

<u>Dwelling Type</u>

3.4 The type of dwelling can also be considered. Comparison of data from 2001 and 2006 shows that there has been an increase in the number of vacant properties of all dwelling types.

2001 Dwelling Type Vacant Dwellings			
	Less than 6 Months	More Than 6 Months	Unknown
Bungalow	2100	5500	500
Terraced House	4000	2700	2300
Semi-detached House	1300	1300	400
Detached House	1200	4200	1000
Flat/Apartment	3100	1400	900
Total	11700	15100	5100

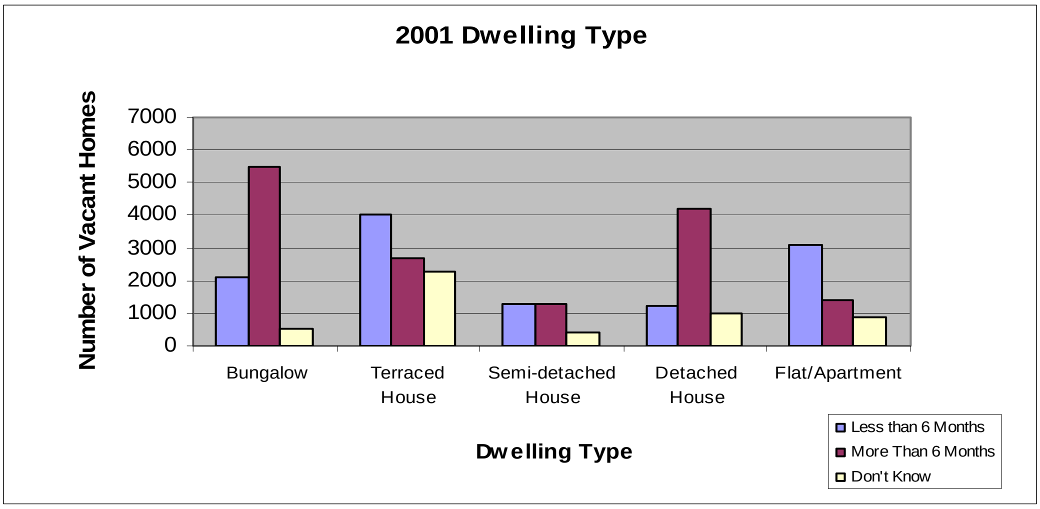
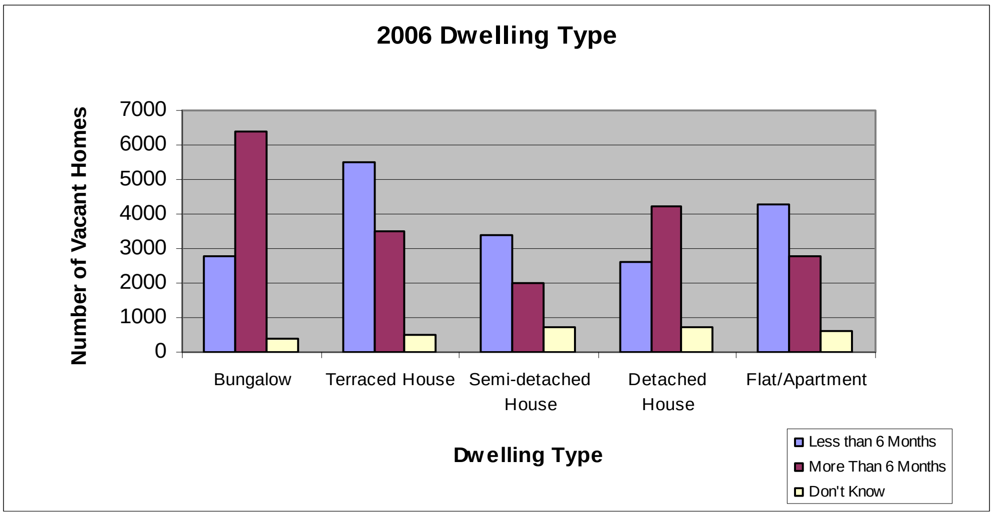


Figure 3 Vacant Dwellings by Type 2001

However, a number of increases are more significant than others. The number of vacant semi-detached dwellings has increased by 3,100 (103%) and the number of vacant flats/apartments 2,300 (43%) reflecting the growth of the private rented sector in both these dwelling forms.

2006 Dwelling Type Vacant Dwellings			
	Less than 6 Months	More Than 6 Months	Unknown
Bungalow	2800	6400	400
Terraced House	5500	3500	500
Semi-detached House	3400	2000	700
Detached House	2600	4200	700
Flat/Apartment	4300	2800	600
Total	18600	18900	2900

Table 4 Vacant homes by Dwelling Type



The fact that the growth of the vacant flats/apartments is lower, and indeed that of terraced houses lower still (500;6%), reflects the amount of demolition which would have taken place of older terraced streets and flat blocks.

<u>Tenure</u>

3.5 If we consider the tenure of vacant homes, as would be expected given the tenure predominance of owner-occupation in Northern Ireland the vast majority of vacant homes were in this sector when last occupied. In 2006 21,600 (53.5%) vacant properties were in the owner-occupied sector compared to 15,600 (48.9%).

2001 Dwelling Tenure Vacant Homes			
	Less than 6 Months	More Than 6 Months	Unknown
Owner Occupied	5400	10200	2300
Private Rented and Others	3000	4200	1000
Housing Executive	2800	600	1700
Housing Association	500	100	100
Total	11700	15100	5100

Table 5: Vacant Homes by Tenure 2001

The biggest increase over the five year period in relative terms has been in the private rented sector where in 2001 there were 8,200 (25.7% of all vacant properties) rising to 13,800 (34.2% of all vacant properties) in 2006.

However, while the proportion of privately rented vacant properties as a proportion of all vacant properties has increased significantly, the rate of vacancy in the private rented sector (i.e. the proportion of privately rented properties which are vacant) only rose a little (from 14.2% in

2001 to 14.6% in 2006). In the private rented sector it was particularly the number vacant for six months or less which increased.

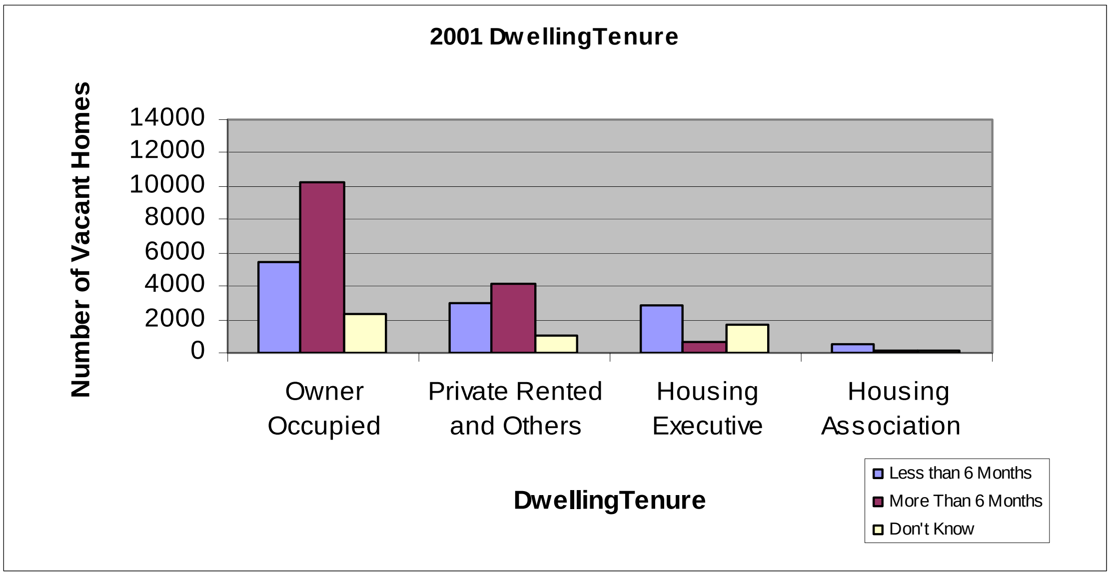


Figure 5 Vacant Homes by Tenure 2001

In the social sector the number and proportion of vacant Housing Executive properties fell sharply between 2001 and 2006 (from 5,100; 16.0% to 3,400; 8%). However, the number of housing association dwellings which were vacant increased from 700 to 1500 and the proportion of the vacant stock owned by the housing associations rose (from 2.2% in 2001 to 3.7% in 2006. The rate of vacancy in housing association dwellings also rose (from 3.8% in 2001 to 6.5% in 2006).

2006 Dwelling Tenure Vacant Homes			
	Less than 6 Months	More Than 6 Months	Unknown
Owner Occupied	6800	12900	1900
Private Rented and Others	8600	4900	300
Housing Executive	2300	600	500
Housing Association	900	500	100
Total	18600	18900	2800

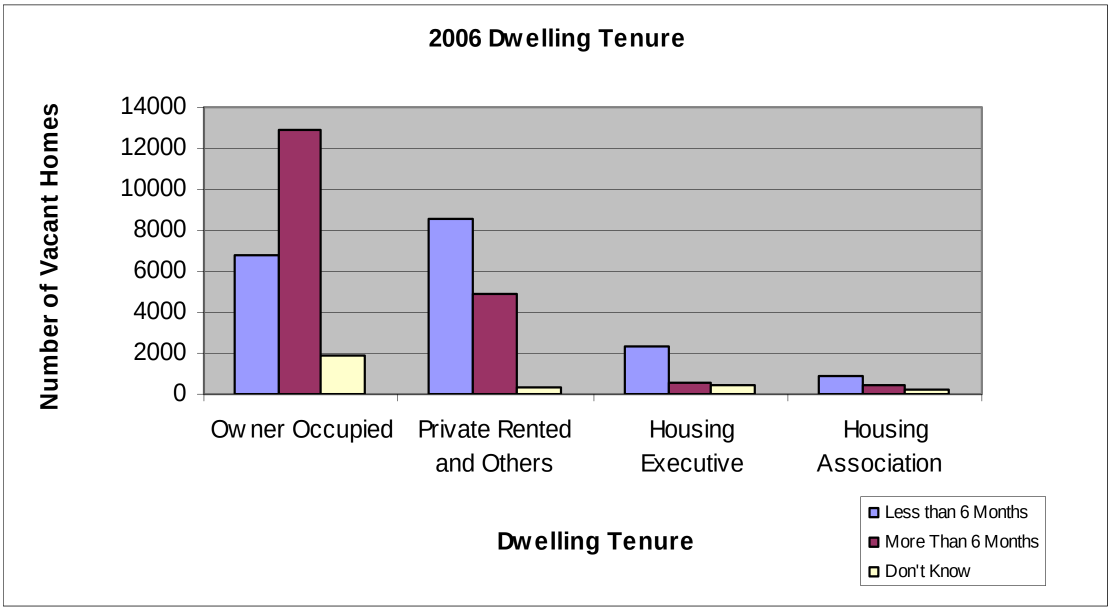


Figure 6: Vacant Homes by Tenure 2006

Age of Dwellings

3.6 Comparison of the 2001 and 2006 figures for the age of dwellings indicates that the number of pre-1919 dwellings which are vacant has risen from 15,800 to 17,200 but that as a proportion of all vacant properties they have fallen (from 49.5% to 42.6%).

2001 Dwelling Age Vacant Homes			
	Less than 6 Months	More Than 6 Months	Unknown
Pre 1919	4900	9800	1100
1919 - 1980	5000	4700	3100
Post 1980	1800	600	900
Total	11700	15100	5100

Table 6: Vacant Homes by Age 2001

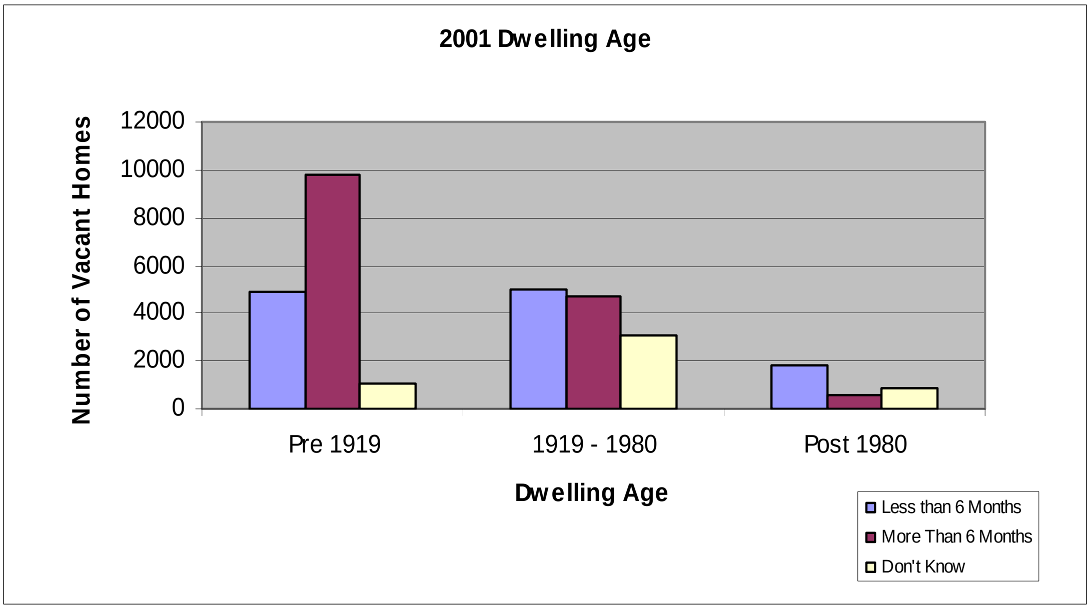


Figure 7: Vacant Dwellings by Age 2001

The number of modern (post-1980) properties which were vacant has risen rapidly from 3,300 (10.3%) in 2001 to 9,100 (22.5%) in 2006.

In terms of length of time vacant the most significant increase is in the post-1980 and six months or less vacant group – again confirming the qualitative evidence on the high levels of churn in the new buy-to-let sector.

2006 Dwelling Age Vacant Homes			
	Less than 6 Months	More Than 6 Months	Unknown
Pre 1919	5800	11200	200
1919 - 1980	6900	6000	1200
Post 1980	5900	1700	1500
Total	18600	18900	2900

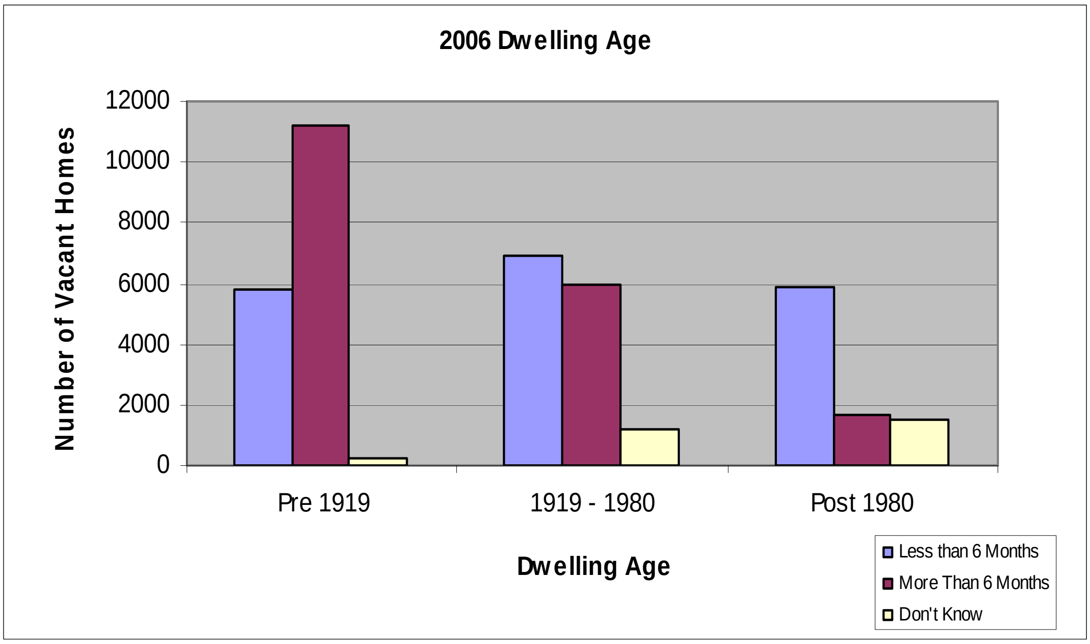


Figure 8 Vacant Dwellings by Age, 2006

Condition of Dwellings

3.7 Dwelling unfitness is increasingly associated with vacancy. While a declining proportion of vacant dwellings are now unfit – from 43.9 per cent in 2001, this proportion has declined to 34.5 per cent (this is associated with the growing vacancy rate in the new buy-to-let sector).

2001 Unfit/Fit Vacant Homes			
	Less than 6 Months	More Than 6 Months	Unknown
Fit	9500	5500	3000
Unfit	2200	9600	2100
Total	11700	15100	5100

Table 8

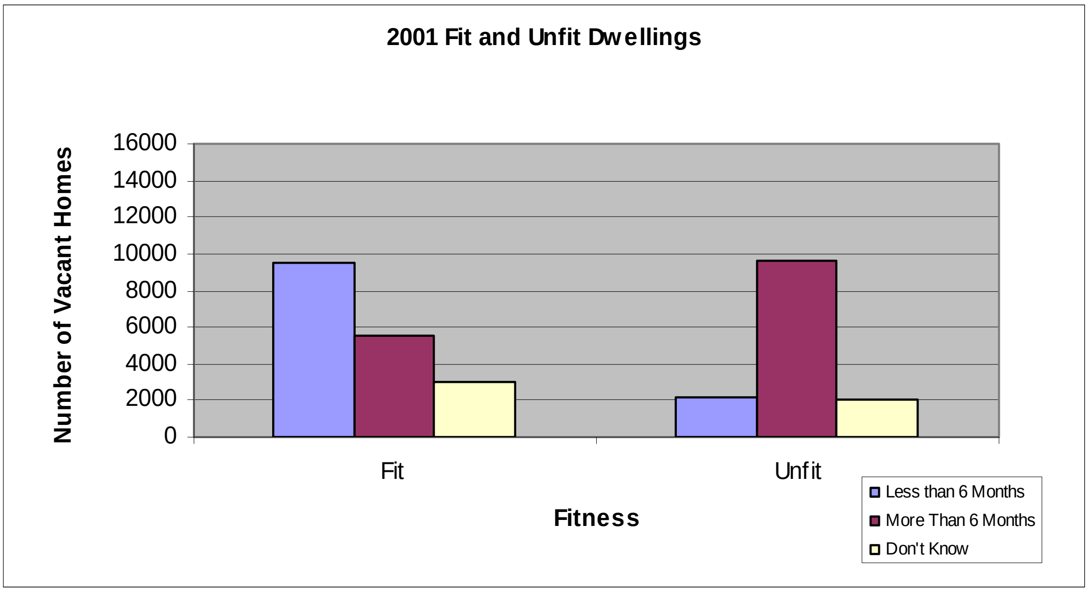


Figure 9 Unfit/Fit vacant dwellings 2001

However, the proportion of unfit dwellings which are vacant has risen from 44.4 per cent in 2001 to 57.7% in 2006. The absolute number of vacant unfits has remained almost the same at around 14,000.

The great majority of unfit vacant dwellings have been vacant for more than six months (nearly 70%). This figure has remained almost unchanged since 2001.
It is also important to note that an estimated 5,200 dwellings are both unfit and located in isolated rural areas – which has important implications for the chances of bringing them back into use.

2006 Unfit/Fit Vacant Homes			
	Less than 6 Months	More Than 6 Months	Don't Know
Fit	15100	9100	2300
Unfit	3500	9800	600
Total	18600	18900	2900

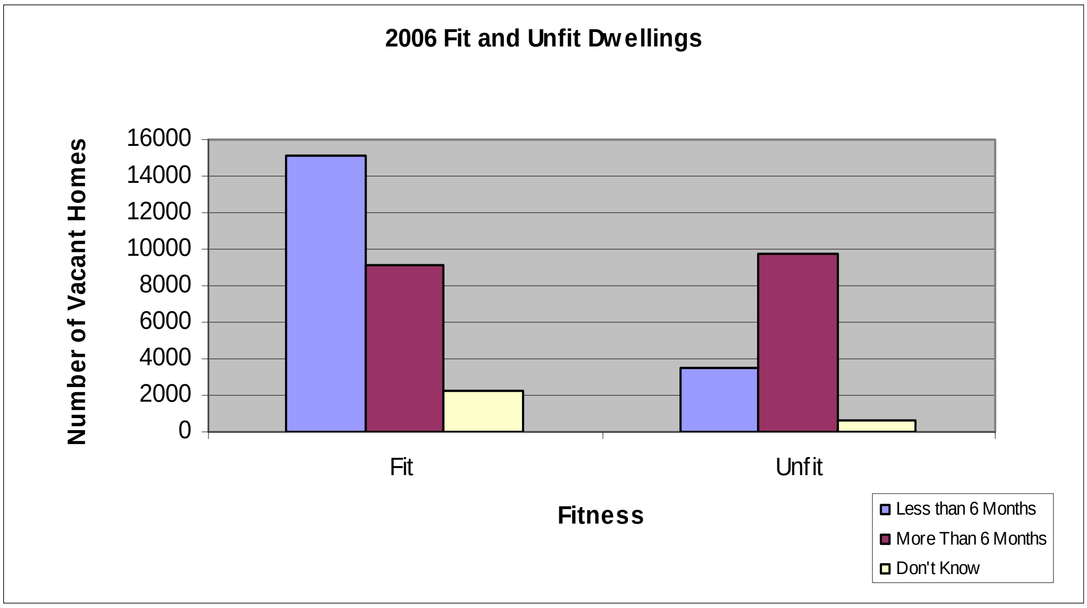


Figure 10

4 Capacity for Action

4.1 Social Sector Empty Homes- NIHE Vacancies

4.1.1 Vacant stock owned by NIHE has been reducing gradually over the past five years through a mixture of improvement, sale and clearance. At July 2007 there were 3329 vacant purpose built units, other vacancies relate to private properties which have been acquired for demolition and re-build.

4.1.2 The bulk (64%) of these properties are being held vacant in order to decant tenants from their homes which are being improved or for major works to be carried out. NIHE's comprehensive improvement programme creates this cycle of vacancies and this will continue for the life of the programme particularly given a reluctance to use alternative accommodation (e.g. caravans/mobile homes) to temporarily rehouse tenants whose homes are being improved (See Figure 11).

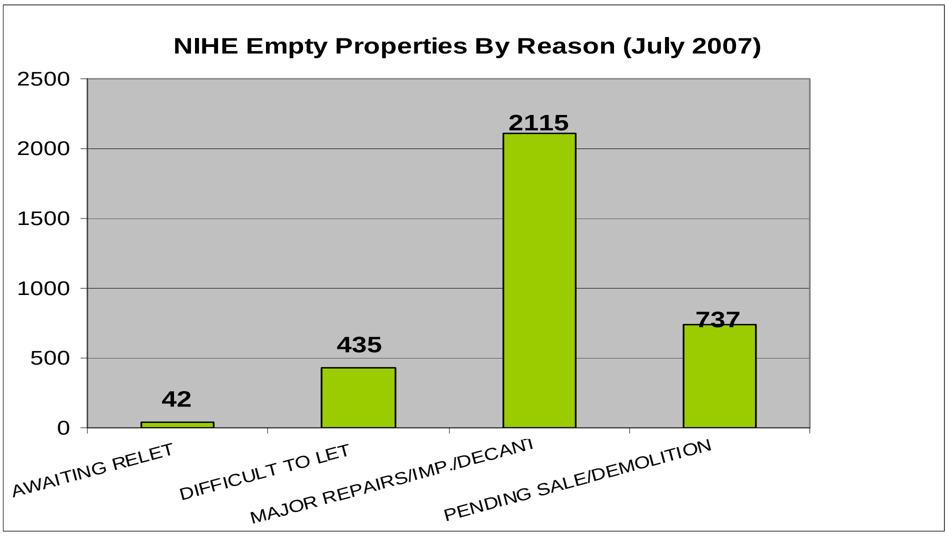


Figure 11

4.1.3 Existing vacancies within the decant/improvement programme will be brought back into use over the next 2 years at an estimated cost of £19m.

4.1.4 Demolition plans generally relate to estates which are being restructured and quite often the demolition facilitates replacement by new social or private housing or community facilities. Such demolition and restructuring programmes are in decline particularly since the bulk of unpopular building forms (for example, gallery access maisonette blocks) have been addressed. Nevertheless some instances of unlettable blocks or areas may still arise.

4.1.5 The number of areas proving difficult-to-let is also reducing as estate strategies have taken effect. Much of the difficult-to-let vacancy problem arose in the new towns, growth centres and peripheral City estates following the rapid expansion of social new build in the 60s and 70s. Thus neighbourhoods such as Rathcoole, Ballysillan, Brownlow and parts of Antrim and Ballymena which witnessed exceptionally high vacancy rates in the past currently have minimal vacancies (with a few exceptions).

4.1.6 Slow but continuous progress is being made in reducing the number of vacancies at interface areas which currently stands at around 200. Regeneration plans are being developed or implemented for these areas and it is anticipated this will address these vacancies over the next three years.

4.1.7 The overall vacancies are widely distributed although there remains a concentration in North East (mostly due to the scale of its improvement programme) and Belfast (due to the impact of interface and difficult-to-let areas) See Figure 12.

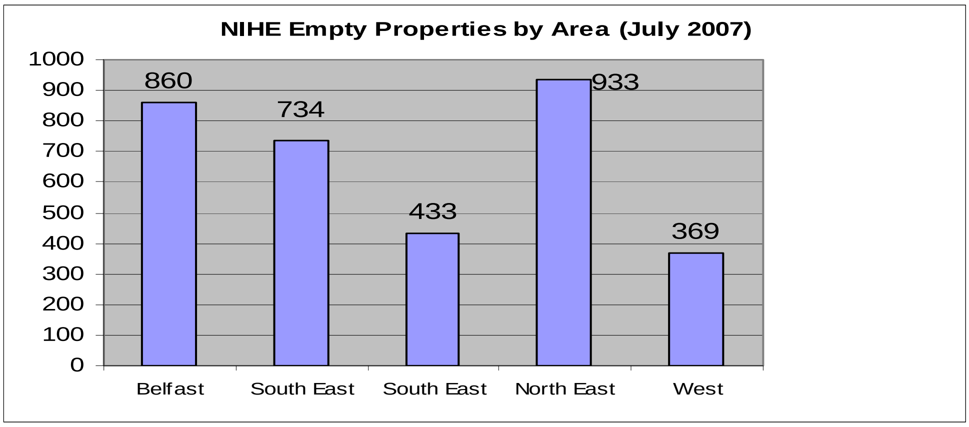


Figure 12

4.1.8 In terms of the duration of vacancies some 40% are empty less than 6 months. Those beyond 6 months reflect the timescales for the completion of improvement schemes and long term difficult-to-let/interface areas. See Figure 13.

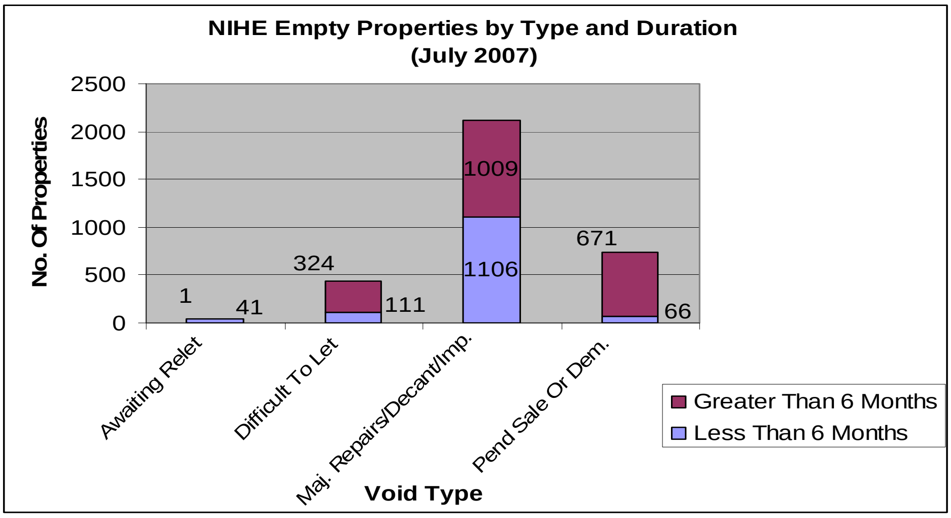


Figure 13

4.1.9 An investigation is being undertaken into Housing Association vacancies which total around 1500. Preliminary enquiries suggest that this may relate in the most part to sheltered dwellings. Further work is required in conjunction with Housing Associations to establish a clearer understanding of the scale and nature of the problem.

4.2 <u>Private Sector Empty Homes</u>

4.2.1 The House Condition Survey (2006) provides a figure of 35,400 private sector properties which are further analysed to determine the scope for bringing these properties back into use. The following categories show the breakdown between properties unsuitable and suitable for action. 16,300 properties, just under half without any qualification/constraint could potentially be brought back into use. Of the 19,100 considered not suitable for action a significant proportion of these will be returned to use e.g. those nearing completion or being modernised. Over a period of time a similar number of properties will fall into these categories and will therefore not be available for use. In other words there is an ongoing flow in and out of vacancy (See para 3.1).

Category/Status	*Number of Vacant Properties*
Awaiting Demolition	3100
Second Homes	2600
Under Construction/Near Completion	2600
Being Modernised	4400
Being used for other purposed e.g. storage/offices	1200
Owners/Tenants in hospital, on holiday, abroad etc	5200
Total	**19100**
Potentially available to be brought back into use	16300
Total	**35400**

Table 10

4.2.2 The 16,300 empty properties which are potentially available have been further reduced on the basis of two criteria:-

(1) They are both unfit and in isolated rural areas, making it very unlikely that they would comprise a serious opportunity for creating a viable occupied dwelling.

(2) They have been vacant for 6 months or less, i.e. applying the Semple Report's criteria for action.

Potentially Available	16,300	
Less Unfit Isolated Rural	700*	
		15,600
6 months or less vacant	10,700	
Available for action	4,900	

* This figure has the potential to be reduced as a direct consequence of the availability of grant aid.

4.2.3 Dwellings can be left empty for a number of reasons; these can manifest themselves as:

- Single vacancies
- Area vacancies

In the Northern Ireland context the Housing Executive has certain powers to intervene or take action where domestic property is unoccupied or because of deterioration in its condition it is likely to become and remain vacant.

4.2.4 Single vacancies may be dealt with through the powers contained in:

- Housing (NI) Order 1981
- Housing (NI) Order 2003

These Orders give the Housing Executive the power to:

- Close or demolish individual unfit properties
- Secure vacant dwellings through the use of Article 63 notices.
- Purchase by consent
- Vest individual properties to facilitate resale, rehabilitation or site assembly.
- Provide Grant aid through the mainly discretionary Renovation and Replacement Grants.

4.2.5 In those areas where there are concentrations of vacant properties, the Housing Executive addresses the issue using an area based approach. Concentrations of vacant dwellings occur generally in urban areas.

4.2.6 Within designated Urban Renewal Areas the Housing Executive employs a range of tools to address empty properties. Vesting and subsequent demolition facilitates the assembly of land and the provision of new housing either through the Social New Build Programme or in the private sector. The sale or transfer of vacant stock to either the private sector or Housing Associations also ensures that vacant stock is returned to use.

4.2.7 The Housing Executive exercises its discretion to target grant aid according to the condition of the property, household characteristics and designated geographical areas. Enhanced levels of grant aid are available in regeneration areas:

- Rural Priority Areas (10 declared)
- Grants Urban Priority Areas (3 declared)
- Town Centre Living Initiative Areas (11 declared)

4.2.8 Area action has been highly effective in addressing concentrations of private vacancies usually associated with poor housing conditions or failing markets. As at July 2007 some 550 vacant private dwellings were within designated or proposed urban renewal areas.

4.2.9 Increasingly, however, dispersed vacancies represent the norm. Closure, demolition or vesting of dispersed vacancies usually relates to unfit stock. Such approaches tend to be seldom used unless they relate to strategies and investments targeting high demand areas. Therefore in areas such as North Belfast unfit, individual vacancies have been vested and rehabilitated to meet housing need. Otherwise statutory powers tend not to be used.

4.2.10 The HCS (2006) collected data on the cost of disrepair in vacant properties many of which are unfit because of disrepair. This data has been update to 2007 pay and price levels. The average unit improvement costs are £5600 or £28m total improvement costs. Any acquisition costs are not included.

5 Tackling Empty Homes – GB/ROI Experience

5.1 Tackling Empty Homes in GB has been a major area of housing in GB in recent years. The Housing Green Paper published in July refers to the 500,000 homes which have been vacant for more than 6 months and also indicates an intention to tackle the emerging “buy to leave” market. There are four relevant GB Policies.

5.2 Best Value Performance Indicator

The Best Value Performance Indicator (BVPI 64) used in GB to measure the performance of Local Authorities in this area was introduced in April 2000. Dwellings belonging to the local authority itself are not included for the purposes of the BVPI 64. The BVPI 64 encompasses a range of outcomes:

- The re-occupation of existing empty dwellings
- Demolition of empties
- Creation of new dwellings by converting redundant commercial space.

In recording successful outcomes all dwellings which are empty are included, regardless of the length of time they have been vacant. The national target for vacant properties is 3%.

5.3 Empty Homes Strategies

Each Empty Homes Strategy has been developed to address the specific problems which occur within that council area.
In a review of these strategies, a number of recurring elements are apparent.

- Any strategy for Empty Homes is part of a broader housing, homelessness and regeneration strategy and deals with Local Council, housing association and privately owned dwellings

- The identification of the empty homes and who owns them along with the creation of a database of properties is recognised as crucial to the success of the strategy

- The use of incentives to encourage owners of empty dwellings to return them to use is the first step taken

- Enforcement action, whether through Compulsory Purchase Orders or Empty Dwelling Management Orders is used only as a last resort

5.4 Legal Powers

The Housing Act 2004 introduced two types of Empty Dwelling Management Orders (EDMO's) in relation to empty dwellings:

- Interim Empty Dwelling Management Orders
- Final Empty Dwelling Management Orders.

It is still early days following the introduction of Empty Dwelling Management Orders to assess whether or not they have been effective.

5.5 Council Tax Liability

There is a Council Tax liability on domestic property which has been vacant for more that 6 months. This is not the case in Northern Ireland where all unfurnished empty properties attract no rates liability.

5.6 Empty Dwellings in ROI

Empty dwellings in the Republic of Ireland (ROI) fall within the remit of each local council. There is currently no strategic view taken on how to deal with vacant properties.

6 Conclusions

6.1 This Final Report has been produced by the Housing Executive in response to the recommendations contained in the Review into Affordable Housing (July 2007).

The Terms of Reference were to examine the scope for meeting housing need by bringing back into use empty homes in both the private and social sector and to develop an Action Plan to this end.

6.2 The Report comes to the following main conclusions:

- The main reasons for properties becoming vacant are: failing housing markets; rural/unfitness/disrepair and investors relying on capital gain to make sufficient return rather than rental income at a time of rapidly rising house prices; and, finally, second homes.

- The 2006 House Condition Survey confirms that today in Northern Ireland vacancy is an issue particularly in remoter rural areas (40% of all vacancies over 6 months are located here) and as a result of vacancies in the private rented sector (which has a vacancy rate of nearly 15%).

- The preliminary 2006 HCS figures enables the gross figure of 40,400 vacant dwellings to be reduced to a number which can be deemed as actionable.

- Considerable progress has been made in the Housing Executive's stock in recent years to reduce the rate of vacancy by improvement, sale and clearance. As at July 2007 there were only 3,300 vacant units – most of these for operational reasons.

- In the housing association sector vacant properties have been increasing. Up to 1,500 units are vacant – often in sheltered complexes.

- Most vacant properties, however, are in the private sector although 19,100 of these can be discounted for a variety of reasons, e.g. being modernised, and are simply part of the natural churn found in any healthy housing market.

- Of the 16,300 that could be potentially brought back into use, 700 are unfit dwellings in isolated rural areas and a further 10,700 have been vacant for 6 months or less, leaving approximately 5,000 private sector dwellings available for action.

- Existing legislation enables the Housing Executive to deal with vacant properties through demolition, voluntary purchase or vesting and rehabilitation and grant aid.

- Concentrations of vacant properties usually occur in urban areas where the declaration of Urban Renewal Areas has launched effective forms of intervention.

- In rural areas grant aid has been the most effective form of action.

- In GB tackling empty homes has been a major policy issue for a number of years with the recent Green Paper highlighting 500,000 lying vacant for more than 6 months.

- The performance of Local Authorities is closely monitored through a Best Value Performance Indicator. Empty Homes Strategies have been tailored to local circumstances with a combination of incentives and enforcement ensuring that some progress is made.

7 Next Steps

7.1 The steps which are proposed in this strategy to address the issue of Empty Homes are listed below. Many of the steps will be progressed in parallel and therefore are not listed in chronological order.

7.2 Action Plan
An Action Plan for implementing the Empty Homes Strategy has been developed and is enclosed at Appendix 2. It focuses on the key steps which are highlighted at 7.3 below.
It also includes details of the locations at Ward level of those empty properties which will be visited and assessed for the purposes of identifying the estimated 5000 which can be brought back into use. These details have been extracted from the Land and Property Services records of empty properties.

7.3 Key Steps

1. Structures
    - Set up Empty Homes Unit

2. Research/Information
    - Liaise with the Land and Property Services to identify individual private properties which are potentially actionable.
    - Complete investigation into housing association vacancies in conjunction with DSD and the Federation of Housing Associations.
    - Identify and contact private owners to establish intentions (including abandonment).
3. Systems
    - Develop database of actionable private properties.

- Develop a model which will assist in determining the most appropriate course of action (including acquisition/leasing) using existing powers more extensively.

4. Investment Programmes
    - Establish investment requirements and priorities for private sector intervention.
    - Continue to progress Housing Executive estate strategies with targeted investment in areas of vacancies.

5. Powers
    - Monitor the effectiveness of additional legal powers in use in England (EDMO's) and consider potential use in Northern Ireland.
    - Seek agreement to amend the rating system.

6. Performance Management
    - Ensure social sector vacancy reduction targets are met.
    - Introduce specific targets to reduce vacancy rate in private sector.

Appendix 1

EXTRACT FROM REVIEW INTO AFFORDABLE HOUSING FINAL REPORT, DSD, 2007

AN EMPTY HOMES AGENCY FOR NORTHERN IRELAND

I also remain convinced of the “need for a more pro-active approach to empty homes in both the social and private sectors”. I believe the NIHE is well placed to act as Empty Homes Agency for NI with responsibility for the production of an Empty Homes Strategy. It would need to set up an Empty Homes Unit to take forward the work in a proactive way. I recommend that there is a short-term moratorium on social sector demolitions until such a Strategy is produced.

The Strategy should encompass:

- The creation and maintenance of a register of empty homes (empty for longer than six months) available for public inspection.

- Initiatives to incentivise owners to bring properties back into use including access to the private sector grants regime, the rental support scheme and housing management advice.

- A programme for use of existing powers to occupy and vest empty properties.

- A review of current demolitions policy and new guidance that reflects best practise.

- A scheme to provide for the release of social sector voids for purchasing by low-income first time buyers, if necessary through Co-ownership. Housing associations could do this by retaining ownership of the land with a statutory charge or alternatively renting at sub markets rents.

- A marketing plan which might consider establishing a hotline, designating Empty Homes Officers within the NIHE District Office network or through introducing an “Empty Homes Week” as occurs in London.

Additionally it could have responsibility for:

- Mechanisms for supporting change of use of existing buildings to meet housing needs, e.g. obsolete offices or commercial premises. This could include advice on planning requirements, housing management and tenant’s rights.

- Action Plans for Town Centre Living Initiative Areas which includes the living over the Shop Scheme.

Government should support the new role by committing to introduce legislation (along the lines of the English Empty Homes Management Order) to extend powers for intervention, at the earliest opportunity. 5.4% of the housing stock in NI us vacant. This compares with 3% in England and there are plans to reduce the English percentage further. DSD should set the NIHE a target of moving towards a level of voids 1% above the current English level within 5 years. This would bring some 9,500 homes back into use and could help meet need in both the social and intermediate sectors. A more ambitious target could be to reach the current English level of 3%. This would produce 16,000 extra homes. From 2009 the new local authorities, which would have responsibility for improvement and repair grants, could take over the task of bringing empty homes back into use.

8 Action Plan

ACTION PLAN	EMPTY HOMES STRATEGY	
KEY ACTIONS WITHIN FIRST SIX MONTHS	**Key Tasks**	**Timescales**
Identify Individual Dwellings	Using the LPs database covering the private sector. A list of empty properties has been compiled which covers those empty for 6 months or more and excluding isolated rural and those with a low NAV $\leq$60. It is from this listing that the potential 5000 are likely to be found.	Nov 2007 onwards
Visit/Assess each Individual Dwelling	Each property on the list will be visited and the following action taken: • An external condition report will be prepared • Attempt to establish owner details • Establish whether subject to any Government action e.g Grant Application, URA • Establish how it can be brought back into use.	Nov 2007 onwards
Set up Empty Homes Unit	• Recruit/Second staff to begin to establish Empty Home Unit • Co-ordinate the first 6 months work of the Action Plan	Nov 2007 onwards
Marketing and PR Campaign	• Implement a Marketing/PR campaign to encourage owners to contact NIHE with a view to bringing those empty properties back into use. • Set up a 'hot line' for reporting empty homes.	Nov 2007 onwards

NIHE/H.A Properties	Continue to progress work to bring any empty properties back into use including: • NIHE Estate Strategies • Liaison with DSD/H.A's in relation to H.A voids.	Nov 2007 onwards
NEXT STEPS : Phase 1 **RESEARCH & INFORMATION**	**Key Tasks**	**Timescale**
Liaise with L&P Service	Arrange meeting with L&P Services	Nov 2007
	Seek confirmation on level of information available on empty dwelling.	Nov 2007
	Identify shortfalls in information.	Nov/Dec 2007
	Agree process for transfer of information in to NIHE.	Dec 07 Jan 08
Investigate level of Housing Association vacancies	Confirm with DSD current Housing Association voids level.	Nov 2007
	Write to NIFHA to obtain information on voids in the Housing Association Sector.	Nov 2007
	Confirm time scales for completion of proposed Social Housing database.	Nov 2007
Identify private owners & establish their intentions	Develop register of empty dwellings from information available to NIHE	Nov 07
	Obtain data from L&PService on empty dwelling.	Dec 07 – Feb 08
	Identify methods to track owners of empty dwelling (e.g. advertising /hot line)	Nov 07 – Feb 08
	Confirm/agree most appropriate and effective method to identify owners.	Feb -08

NEXT STEPS :
Phase 1

STRUCTURES	**Key Tasks**	**Timescales**
Make arrangements to facilitate the recording of empty homes and where appropriate their return to use	Collate existing information held or available to the NIHE on empty homes in the private rented sector.	Nov 07 – March 08
	Gather additional data through advertising and provision of hot line to facilitate the reporting of properties.	Nov 07- March 08
Set up Empty Homes Unit	Apply best practice as researched and used in successful councils in GB to deal with the issue of empty homes	Ongoing

NEXT STEPS :
Phase 2

	Key Tasks	Timescale
SYSTEMS		
Develop data base /register of empty homes	Record data currently available to NIHE	Nov- Dec 07
	Develop mechanisms to bring empty homes back into use	Dec 07 – Feb 08
Develop database of actionable properties	Review systems in use by other agencies	April- June 08
	Select appropriate system for use	Aug – Sept 08
	Development and testing of system	Sept – Nov 08
	Collate and input private and social housing data	Dec 08
Develop model which will determine the most appropriate course of action	Review success of measures in returning empty homes to use	Dec 07 – April 08
	Contact owners of empty dwellings	Action will follow opening of EHU in April 2008
	Determine future intentions of owner of empty dwelling	
	Confirm timescale for owners proposals to be effected	
	Provide advice on options available to bring dwelling back into use o Grant availability o Advice on disposal o Advice on rental o Identify work required to make dwelling usable	
	Explore leasing options	
	Develop referral and signposting mechanisms	

NEXT STEPS: Phase 2

POWERS	**Key Tasks**	**Timescale**
Monitor effectiveness of EDMO's in England and consider potential for use in Northern Ireland	Confirm activity levels for EDMO's in England	Nov/Dec 2007
	Identify councils which have EDMO's in place	Nov/Dec 2007
	Evaluate success in reducing the number of empty dwellings	Jan /Feb 2008
NIHE to continue use of existing powers available under Housing (NI) Order 1981	Identify properties where powers may be effectively used and take appropriate action. (see Ph 1 Research and Information; Confirm /agree appropriate method)	Action will take place as cases identified
Seek agreement to amend the rating system	Confirm with DFP their proposal following Semple recommendation	Nov 2007
	Confirm timescales for any changes to rating of empty homes	Nov 2007

NEXT STEPS Phase 2

INVESTMENT PROGRAMMES	**Key Tasks**	**Timescale**
Establish investment requirement and priorities for private sector intervention	Will be informed by information obtained under Phase 1 – Research and Information and Structures	In line with individual interventions agreed
Continue to progress NIHE Estate Strategies with targeted investment	Progress Neighbourhood Renewal Strategy through targeted action with other agencies	Currently being progressed with regular reviews of progress

NEXT STEPS Phase 2	**Key Tasks**	**Timescale**
PERFORMANCE MANAGEMENT		
Ensure social sector vacancy reduction targets are met	Review NIHE performance figures o Demolitions o Long term voids o Operational voids	Process to review NIHE voids already in place with ongoing monitoring.
	Confirm with DSD/NIFHA location and type of Housing Association stock vacancies	Dec 07
	Agree process for regular transfer of information to Empty Homes Unit	Jan- Feb 08
	Confirm action plan in place to deal with all voids in social housing sector	To be agreed
	Confirm targets and timescales to be met in social housing sector	To be agreed
Introduce specific targets to reduce vacancy rate in the private sector	Confirm actual number of empty homes	To be agreed -will follow setting up of operational Empty Homes Unit in April 08
	Identify type and location of properties	“
	Confirm type and location of properties most suitable to be brought back into use	“
	Agree target figure of empty homes to be brought back into use	“
	Agree timescale for achieving target	“