



Hinckley & Bosworth
Borough Council

Housing Scrutiny Review

Report of the Task & Finish Group

1. Purpose of the review

- 1.1 At the overview & scrutiny member workshop in July 2023, housing and homelessness were identified as priorities for members to look at in more detail through the overview and scrutiny process.
- 1.2 A paper was produced for the Scrutiny Commission which outlined the key challenges in relation to housing in order to inform the review.

2. Scope and method of the review

- 2.1 At its meeting on 14 December 2023, the Scrutiny Commission agreed the scope of the review as:
 - Understand the pathways that people use to access housing, along with the barriers
 - Develop a strategy to increase the availability of private rented accommodation
 - Lobby government for more funding for affordable housing, in particular making it easier for councils to increase their own housing stock
 - Consider how empty homes can help with the housing shortage.
- 2.2 It was agreed that the review would be undertaken by a task & finish group with membership to be nominated by the group leaders.

2.3 The following members were appointed to the group:

Councillor J Crooks
Councillor C Gibbens
Councillor C Harris
Councillor C Lambert
Councillor M Surtees
Councillor P Williams.

2.4 Councillor Crooks was appointed chair at the first meeting.

2.5 Meetings of the group took place on 14 March, 8 May, 1 August and 5 September 2024. The first meeting considered the approach to the review, including the information required and whether any witnesses would be called.

2.6 The task & finish group met as an informal, non-statutory body operating under its own procedures. Meetings were not open to the public and the minutes were not circulated beyond the group members.

2.7 The review was supported by the Director (Community & Development Services), the Head of Housing, the Strategic Housing & Enabling Officer and the Democratic Services Manager.

2.8 The Private Sector Housing Team Leader and the Revenues & Benefits Manager attended meetings to give evidence.

2.9 A letting agent attended the final meeting of the task & finish group to discuss barriers and challenges in the private rented sector and how the council could help private landlords make more accommodation available to ease the homelessness crisis.

3. Key findings from the review

3.1 The review process provided an excellent opportunity for a small group of councillors to look at this specific area in more detail, and thanks to the support of officers and guests it provided an invaluable insight into the significant amount of positive work already being undertaken in these areas. There were a number of areas where recommendations were formed following the work undertaken, and if adopted these will be considered by the relevant bodies with a view to taking them forward.

3.2 Empty homes

3.2.1 An officer from the private sector housing team informed members of the work of the service in relation to empty homes, including:

- Issues resulting from hoarding
- Techniques to encourage owners to bring properties back into use
- Powers available to tackle issues relating to empty homes.

3.2.2 There was a lack of capacity for additional work on empty homes which had been exacerbated by the recent increase in damp and mould work.

3.2.3 The private sector housing team didn't have the necessary information to proactively contact owners of empty homes, but if an empty home was reported, a questionnaire was sent out.

3.2.4 The Borough Bulletin was used to encourage those with empty homes to come forward, but the response rate was low.

3.2.5 It was difficult to sell a home when an owner was in care or when they were deceased but there was a charge on the property for care costs, which had resulted in more empty homes.

3.2.6 Properties that were unoccupied and unfurnished were entitled to an exemption from council tax for one month, after which time a full charge was payable. A property must be considered "substantially furnished" to be considered occupied, which could lead to landlords circumventing the rules.

3.2.7 From April 2020, a 100% council tax premium was charged on properties that had been empty for longer than two years. From April 2021, the premium increased to 200% on properties that had been empty for longer than five years. From April 2022, the premium was increased to 300% for properties that had been empty longer than ten years.

3.2.8 There were discretionary exemptions to the premiums outlined in 3.1.7. These include properties on the market for sale or rent, hardship, the taxpayer being in

care or hospital, the property being unsafe to live in or subject to a compulsory purchase order.

3.2.9 Whilst there was no restriction in legislation preventing council tax on empty properties being used to purchase council properties, it was current council policy that this money was returned to the council tax fund and spent according to council priorities.

3.2.9 There were 66 long-term empty properties in the borough in 2023 – 45 had been empty for more than two years, 12 had been empty for five to ten years and nine had been empty for over ten years.

3.2.10 The list of empty properties was no longer provided to the housing service by the revenues team. This information would assist the private sector housing team in targeting those empty properties. A list of second homes could also be provided.

3.3 Private rented housing

3.3.1 The housing needs study was considered, indicating a significant shortfall in the number of affordable and social rented properties required.

3.3.2 There were particular affordability concerns in relation to private rented properties for larger families.

3.3.3 The types of houses previously suitable for first time buyers (smaller, cheaper homes) were now often purchased by landlords to rent out, with an associated reduction in first time buyer supply.

3.3.4 Some landlords were leaving the rental market due to new tax rules, EPC requirements, interest rates and proposed changes to regulations around no fault evictions.

3.3.5 There was such a high demand for rental properties from private tenants that private landlords did not need to work with local authorities in order to fill their vacant properties. In discussions with the lettings agent who attended the task and finish group, it was not possible to identify specific initiatives that the council was not already providing that might assist in making applicants on the council waiting list or those who were homeless more attractive to private landlords.

3.4 Section 106 contributions

3.4.1 The interest from registered providers in taking on new S106 properties had reduced in recent years. This made it difficult to maximise affordable housing delivery. The issue was being considered by an LGA working group on which the council's Strategic Housing & Enabling Officer sat.

- 3.4.2 Shared ownership options appeared to have been overshadowed by the first homes schemes.
- 3.4.3 Aspirations within the council to develop more council housing or to acquire new council homes through Section 106 provision on sites was restricted by a lack of available funding within the HRA and the absence of development skills to take an in-house build programme forward. The council was making use of its powers to acquire new properties though, although all new properties were subject to the right to buy.

3.5 Right to Buy

- 3.5.1 The Right to Buy (RTB) scheme had resulted in a significant loss of council properties at a reduced receipt, and the council was restricted in the use of the money, however all retained receipts were used. The council had very limited discretions within the legislation that governs the sale of council properties through the RTB.
- 3.5.2 The government had proposed to reform the RTB scheme, and a consultation was awaited.

3.6 Lobbying

- 3.6.1 A key theme of the working group was considering areas for lobbying the government.
- 3.6.2 Existing lobbying was taking place nationally and supported by the council, including:
- [Securing the future of council housing](#): the council was a signatory to this initiative led by Southwark Council
 - Local Government Association (LGA) round table on S106 sites: the council participated in LGA discussions on S106 agreements
 - LGA proposal for national housing directors forum: support for the creation of a collective voice for housing directors to engage with government
 - National Planning Policy Framework (NPPF) consultation response: submission of a response to the consultation focusing on affordable housing
 - National emergency homelessness summit: the council was a signatory to a letter to government which sought the prioritisation of a number of measures to help address the national housing crisis.
- 3.6.3 Areas for lobbying or further work were considered:
- Section 106 sites: relating to affordable housing, engagement with registered providers, community infrastructure and viability
 - Right to buy: restricting the sale of council properties

- Empty properties: increasing funding to bring empty properties back into use
- Officer capacity and funding: seeking funding for staffing to progress housing initiatives and requesting financial support for developing and acquiring council housing
- Private rented sector: working with letting agents to ease the pressure of homelessness
- General: promoting a more coordinated approach to housing-related policies across government departments

3.7 General comments

3.7.1 Many properties had been extended, which left fewer smaller properties.

3.7.2 Impending legislative changes, such as the Renters Reform Bill, introduce extensive reforms and greater responsibilities for the Private Sector Housing Team. This is likely to affect capacity and additional resource may need to be considered in due course.

4. Conclusions

4.1 Empty homes

- 4.1.1 Information sharing between the revenues and private sector housing teams could result in more work to target empty properties with the aim of bringing them back into use.
- 4.1.2 Additional resources would be required to undertake further work on bringing empty homes back into use and given the relatively small number of long term empty properties and property types, bringing them back into use would not make a major contribution to reducing homelessness or meeting housing need.

4.2 Private rented housing

- 4.2.1 Whilst demand for rental properties exceeded supply and landlords could be selective with regard to tenants, there may be opportunities for the council to work more closely with landlords in future.

4.3 Section 106 contributions

- 4.3.1 There was a need for more affordable housing and to ensure developers had engaged with registered providers at an earlier stage in the planning/development process.
- 4.3.2 It was important to ensure sites and requested contributions were viable to avoid the need for variations to the S106 agreement later in the process.
- 4.3.2 Lobbying should take place in relation to section 106 agreements, specifically:
 - Lobby for a higher percentage of affordable housing within S106 agreements
 - Advocate for more funding allocated to community facilities such as schools, healthcare and public transport
 - Call for stricter enforcement mechanisms to ensure developers comply with S106 obligations
 - Push for greater transparency in the negotiation and implementation of S106 agreements
 - Explore ways to balance the need for affordable housing and community infrastructure with developers' viability concerns
 - Advocate for regular reviews and updates of S106 guidelines to ensure the policy remains effective and relevant.

4.4 Right to buy

- 4.4.1 Preservation of current council housing stock was a key concern and opportunities to lobby government to restrict the sale of council properties should be explored through responding robustly to the forthcoming consultation.

4.5 General

- 4.5.1 A more coordinated approach to housing-related policies across government departments was required.
- 4.5.2 Use of existing data to carry out benchmarking would provide greater insight into whether the council has sufficient resources within the housing service.
- 4.5.3 Officer capacity was an overriding barrier in all areas of work. The services involved in the review provided an exceptional service, but additional resource would future proof the service and provide the opportunity and expertise for more work in the areas highlighted in this report.

5. Recommendations

- 5.1 Information be shared between the revenues and the housing services including a list of empty properties, the size of the properties, and any second homes where the owner also lived in the borough.

Reason: To enable the targeting of empty properties and increase the likelihood of bringing them back into use.

- 5.2 The Executive be recommended to consider providing additional staffing to investigate empty properties and bring them back into use.

Reason: Bringing empty properties back into use would alleviate some of the pressure on availability of housing.

- 5.3 The Executive be recommended to consider increasing capacity and expertise within the relevant team to benefit from opportunities to acquire S106 properties.

Reason: To increase availability of housing acquired through S106 agreements.

- 5.4 Officers continue dialogue with local landlords and their representatives with a view to seeking to work together to relieve pressure on the homelessness service.

Reason: To increase the availability of housing which the council may have access to for those in the greatest housing need.

- 5.5 The Executive be recommended to lobby government in relation to:

- Section 106 sites: relating to affordable housing, engagement with registered providers, community infrastructure and viability
- Right to buy: restricting the sale of council properties to support the council in retaining housing stock
- Empty properties: funding to assist with bringing empty properties back into use
- Officer capacity and funding: funding for staffing to progress housing initiatives and requesting additional financial support for developing and acquiring council housing
- General: promoting a more coordinated approach to housing-related policies across government departments (for example, resettlement schemes, homelessness, prison discharge).

- 5.6 A review of the action undertaken following the consideration of the recommendations within this report be added to the overview & scrutiny work programme for 2025/26.