

PLACE SCRUTINY PANEL

A meeting of the Place Scrutiny Panel was held on Monday 2 December 2024.

PRESENT: Councillors D Branson (Chair), J Cooke, C Cooper, J Ewan, D Jackson, J Kabuye, A Romaine and L Young

ALSO IN ATTENDANCE: D Ripley

OFFICERS: S Lightwing and J McNally

APOLOGIES FOR ABSENCE: Councillors T Livingstone, J Banks, N Hussain, L Mason and D McCabe

24/46 **WELCOME AND FIRE EVACUATION PROCEDURE**

The Chair welcomed all present to the meeting and read out the Fire Evacuation Procedure.

24/47 **DECLARATIONS OF INTEREST**

There were no declarations of interest received at this point in the meeting.

24/48 **MINUTES - PLACE SCRUTINY PANEL - 4 NOVEMBER 2024**

The minutes of the Place Scrutiny Panel meeting held on 4 November 2024 were submitted and approved as a correct record.

24/49 **EMPTY PROPERTIES - SCRUTINY REVIEW**

The Executive Director of Customer Services at Thirteen was in attendance at the meeting and gave a presentation in relation to the work being carried out by Thirteen to bring empty properties back into use.

Members heard that in respect of empty homes Thirteen Group considered environmental drivers not in the sense of environmental sustainability but the wider environmental drivers that affect Thirteen and how they work some of which had been widely reported in the press such as the Grenfell Tower tragedy which had highlighted the need for quality housing stock and decency within the housing sector and the health and safety conditions of such housing. Changes in the regulations of social housing were now being implemented.

The sector risk profile for social housing included the following risks:

Viability

- Constrained financial headroom reduced the capacity for the sector to manage downside risk. Items such as NI increases, net zero damp and mould responses all impacted the bottom line of registered providers.

Tenant safety

- Understanding the landlord's legal obligations in relation to the health and safety of tenants in their homes and communal areas

Stock decency and home quality

- Homes were a long-term asset and failing to invest adequately could have serious consequences for tenants as well as leading to deterioration that cost more in the long run

Service delivery and accountability

- A failure to deliver good quality housing services or to engage effectively with tenants could result in harm to tenants, as well as seriously damaging the reputation of the provider and sector.

The longer-term challenges for Thirteen were that all registered housing providers had a target to have all their housing stock up to EPC Level C by 2030 and to adhere to net zero carbon targets in the longer term which had put significant pressure on the company as they continued to develop new homes and invest in existing homes going forward. Members were advised that some of Thirteen's housing stock was 60-80 years old which would take a lot of investment to get these properties up to these standards.

Members heard that out of the 35,000 lower super output areas some of the challenges faced in Thirteen's operating areas within Teesside fell within the top 200 which created a lot of pressure within the system in terms of housing demand and the investment in homes and the neighbourhoods.

Thirteen had approximately 11,300 homes in Middlesbrough to rent with 300 properties currently empty which proportionately was not a lot, 43% of the empty homes were screened which equated to 1.2% of the total homes owned by Thirteen, it was advised that properties were screened for security purposes to prevent theft of boilers and copper pipes. It was advised that organised crime groups operated in some communities and properties needed to be secured to prevent gangs from using them for illegal purposes, 66% of all empty homes were less than 12 months old. Many older homes from 2022 or earlier were going through options appraisals to ascertain the best course of action.

The average cost to get a home back to operations was increasing with cost rising from circa £4k in 2020 to circa £10k in 2024. Thirteen aimed to get empty properties back into operation within 28 days however high levels of increased cost were a limiting factor. Properties were no longer being invested in by tenants and a higher number of properties were coming back to Thirteen in a worse condition and needed a lot more investment.

Thirteen are increasing the standard of returning empty homes by replacing flooring and decorating if required. Thirteen were proud to invest in their properties and give their tenants the best start in their new homes.

Across the broader housing sector Thirteen's average rents were broadly comparable with others and the number of turnovers were at 2% which was broadly comparable with other housing providers.

Thirteen did not have specific areas where there were acute issues with empty properties of the 300 empty properties they were widely spread across the town.

Extra investments in properties followed research that was undertaken with customers in 2018/19 to find out what mattered to them. Tenancy turnaround rates across the whole of Thirteen were approximately 2000-2200 properties per year. Reasons for turnaround included 30% of tenancies coming to an end due to a person becoming deceased and no natural tenancy to continue, 30% of tenants leaving Thirteen to take up tenancies with the private rented sector. One of the main drivers for this was the internal standards of homes in the private rented sector, the fixtures, fittings and decoration in private rented accommodation was more attractive to tenants than that of social landlords. Following this research Thirteen carried out a lot of work on gardens which was a hotspot issue for residents however the main issue for tenants remained the internal decoration and flooring/carpeting which Thirteen now invest in if it is needed.

In terms of the 300 empty properties Thirteen strived to turnaround properties in 28 days although sometimes this was not feasible, and the demand was not there due to the area the properties were in. In mitigation Thirteen were taking a whole house approach working to the Decent Homes Standard and working to the requirements of the customer and the regulator.

A Member queried if Thirteen were in the same position as private landlords and had to pay council tax on empty properties the Executive Director confirmed that council tax was liable to be paid on older properties.

It was questioned what the £10k cost to refurbish a property was used for, it was advised that this typically included kitchens, doors bathrooms and windows. The cost could rise to 25 to 40k for some homes due to some residents having carried out their own works such as extensions without appropriate permissions. Some properties could have been used for illegal drug activity and could have illegal wiring that would take a lot of time to fix. It was advised that if a property had gone through a closure order it could take 2-3 months before the property would be habitable again.

The Member queried what the average refurbishment cost was for this year it was advised that for 2024 the average cost was £7,500 but it varied. Thirteen worked on an average rental cost of £5,200-£5,300 income per year so it would take approximately 17 months in terms of turning those costs around.

A Member queried how often Thirteen carried out checks on their properties it was advised that annual gas safe checks were carried out on all properties however under the rights of the tenancy agreement tenants had a right of freehold of the home. It was advised that Thirteen carried out regular walk arounds with residents and ward councillors to identify issues in communities. It was advised that Thirteen check on "silent customers" if they had not been heard of in a 12-month rolling period but it was stressed that Thirteen do not have the right to enter a customer's home.

It was advised that when a tenant was leaving a property a pre-ending tenancy visit was completed, 95% of properties were returned in a decent state. Re-chargeable repairs could be pursued by Thirteen however this was not always successful but if a resident came back to Thirteen in the future and had not paid for the re-chargeable repairs it would be on their record, This information can be shared to other landlords within the social housing sector due to an information sharing protocol but that didn't extend to the private sector. A Member queried whether this information was shared with the Selective Landlord Licensing Scheme the Executive Director stated that he would seek clarification.

It was queried whether there was a link between anti-social behaviour (ASB) and empty homes in response the Executive Director stated not all of the time he provided an example of Hemlington which had higher levels of ASB but the number of empty homes did not correlate to that. It was advised that where there is serious ASB in the interests of the wider community houses may be taken out of occupation and made into a garage, car park or green space.

A Member highlighted that Thirteen were building a lot of new homes and asked for clarification on how that balanced with managing older properties. It was advised that the drive for building new homes came from Central Government. Thirteen was a strategic partner with New Homes England. In terms of balance, it was advised that Thirteen were investing 110 million in existing homes this year and investment was set to grow over the next 5 years. The new build business model was principally through grant funding but also through loans and bank investment. This enabled Thirteen to provide investment of £110 million for existing homes and build 500-600 new homes per year as part of their 30-year business plan.

A Member asked to be provided with a breakdown on empty homes by ward and how many homes were deemed to be older housing stock.

It was queried if older stock would need to be knocked down or revamped in 20 years because they would be so dated and unsuitable for modern living. The Executive Director responded that Thirteen did not envisage a massive reduction in the number of homes but there might not necessarily be the same homes that they had now.

A Member asked if Thirteen intended to increase their housing stock due to the increase in the Governments house building targets. It was advised that Thirteen had a target of 11,200 homes per year and a commitment to build 600 new homes per year around 400 homes could be lost where policy dictates to rent to buy however Thirteen are committed to increasing the number of homes per year.

In response to a question about social value it was confirmed that Thirteen worked with communities through Resilience Panels to find solutions to problems. Members heard that through partnership working Thirteen was able to provide apprenticeships to some residents.

AGREED as follows that:

1. The information provided was received and noted.
2. Further information would be provided in respect of the number of empty properties by ward, number of properties deemed as older stock and confirmation if Selective Landlord Licensing are informed of the licensing agreement in place with tenants.

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EMPTY PROPERTIES SCRUTINY REVIEW - UPDATE FROM TASK AND FINISH GROUP AND DRAFT TERMS OF REFERENCE FOR THE REVIEW

The Empty Properties Task and Finish Group had met on 4 November and drafted the Terms of Reference for the Empty Properties Scrutiny Review which were circulated to Panel Members at the meeting.

AGREED that:

The Terms of Reference for the scrutiny review of Empty Properties were approved as follows:

- To understand the current position with regard to empty domestic and commercial properties in Middlesbrough and the efforts the Council is making to address the various associated issues.
- To investigate the Council's responsibilities and enforcement powers in respect of empty properties.
- To investigate what work has been undertaken with third party providers to refurbish and re-let empty properties.
- To investigate what work has been undertaken to bring empty commercial properties back into use.

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HOME TO SCHOOL TRANSPORT SCRUTINY REVIEW - UPDATE FROM TASK AND FINISH GROUP

A note of the meeting of the Home to School Transport Task and Finish Group held on 21 November 2024 was circulated to Members during the meeting. The various Members had provided feedback from their visits to several schools including Re Integrate at Pallister Park, Kings Academy and Holmwood. Issues raised included:

- Lack of escorts on the buses and reliability. A Member had queried what were the requirements of the contract made with the providers. It was advised that the escorts must have a DBS as well as the driver of the vehicle?
- Failure to provide enough vehicles with wheelchair access.
- There was a discussion of whether we should be picking up students when the parents have their own transport. Also
- Could the council recoup the cost of home to school transport from academies as they would obtain payment for the number of students they admit. It was questioned if the Council are subsidising them unnecessarily.
- The number of students had increased sharply due to greater awareness of mental health issues and possibly the effect of COVID. This needed to be taken into consideration.

- Driver recruitment was an issue.

AGREED that:

The information provided was received and noted.

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OVERVIEW AND SCRUTINY BOARD UPDATE

The Chair provided a verbal update on items considered at the Overview and Scrutiny Board meeting held on 20 November 2024. It was highlighted that a representative from Middlesbrough Voluntary Development Agency had attended and provided an update on how the voluntary sector can work alongside the Council with involvement from the Community Cohesion Task and Finish Group to bring communities back together. A wider meeting was planned with community organisations to look at producing a new Community Strategy.

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DATE AND TIME OF NEXT MEETING

The next meeting of the Place Scrutiny Panel was scheduled for Monday 6 January 2024 at 4.30pm. The Chair confirmed that going forward the meetings would continue to be held at 4.30pm for the remainder of the municipal year due to some Members work commitments.

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ANY OTHER URGENT ITEMS WHICH IN THE OPINION OF THE CHAIR, MAY BE CONSIDERED.

None