

# Strategy to reduce TA and Empty homes

**Update on plans to meet  
housing need**

# Background

- At the Housing Scrutiny meeting in November 2022 we committed to reconsider and review options for modular delivery in the borough.
- The last viability review was conducted in 2019, and since then the market for modular homes and the delivery environment for development has shifted in a variety of ways.
- The review has now commenced and is ongoing, and this presentation details some key considerations at play and work undertaken by other boroughs.

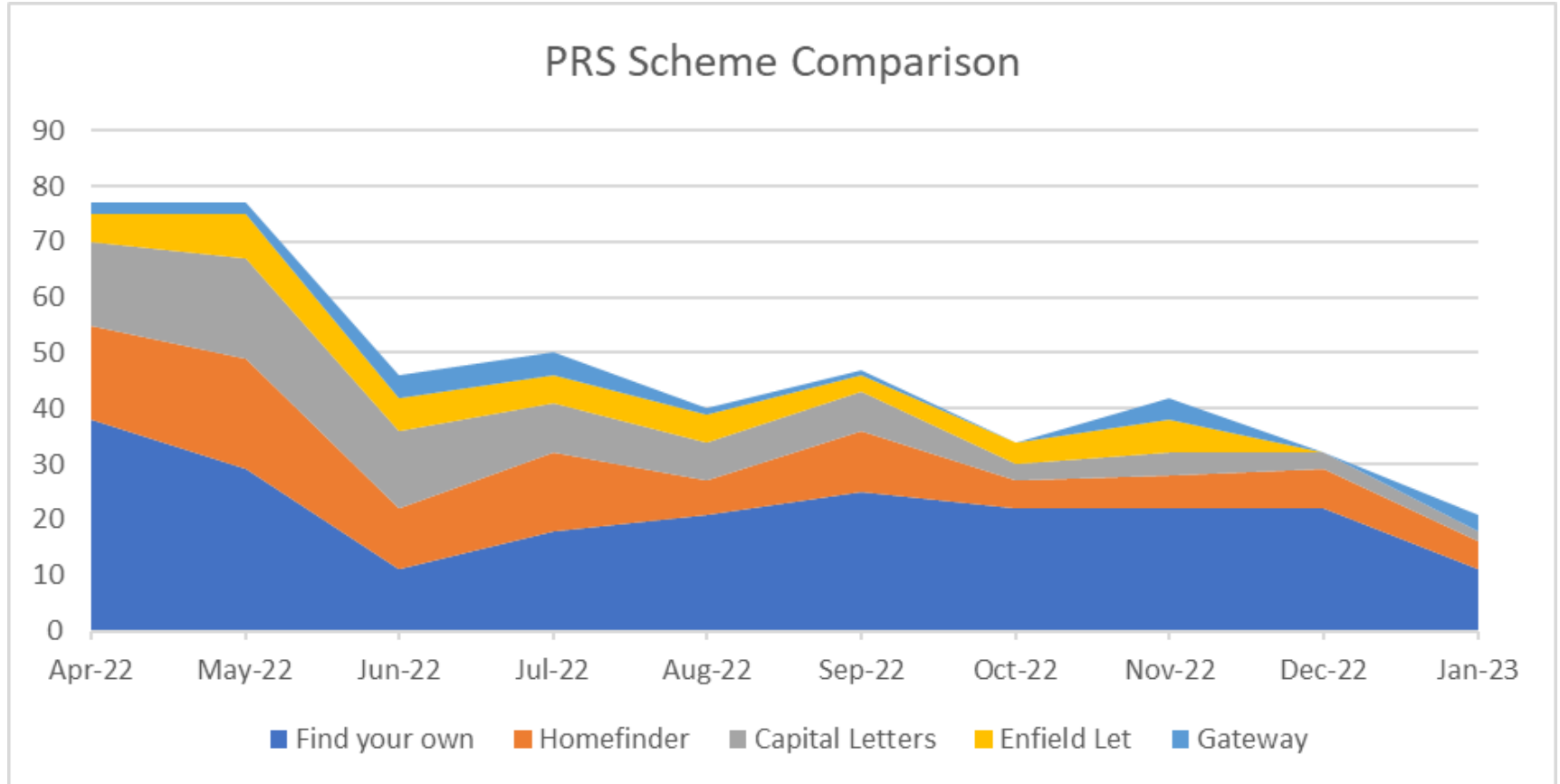
# Housing Need and homelessness

- We are considering the modular project as a method of relieving homelessness and providing in borough, suitable accommodation for homeless families.
- Homelessness demand is currently at crisis point fuelled by rising demand and collapse of available private sector properties, especially at the affordable end of the market. This impact is being felt all across London and in other parts of the country.

# Homelessness pressures across London

	October 2021	October 2022		Number of responses
Total number of homelessness presentations	6,058	6,918	+14.2 % +860	28
Total number of households owed a prevention or relief duty	7,480	7,978	+6.7% +498	27
Total number of households in TA	54,383	55,392		28
Total number of Children in TA	63,377	64,095		23
Families in Bed and breakfast (B&B) hotels (including shared annexes)	1,679	2,441	+45.4 % +762	27
Families in B&B hotels (including shared annexes) for longer than 6 weeks	77	403	+423% +326	26

# PRS supply collapse illustrated



# Place Ladywell - Lewisham



# Ealing - Modular Units





# Y-Cube – YMCA housing projects





# Considerations for LBE

- More meanwhile sites are available due to the challenging construction environment – and potentially for longer periods.
- LHA levels are comparatively lower in LBE making viability more challenging.
- Cost avoidance via decreased use of hotels / B&B (as used in the Ealing model) may assist.
- More entrants and innovation in the market may show models that are more viable
- GLA grant is likely to be available for builds like these

# Principles for assessment

- Eight sites are being considered for viability assessments.
- They would need to:
  - be available post completion for 5-10 years (ideally 7+) and fit 25-50 units.
  - Limited site clearance required (e.g. structures all/mostly demolished)
  - No leasehold interests to resolve
  - Availability of parking/play nearby or sufficient room to provide onsite
  - Site access sufficient for MMC delivery

# Next Steps

- Following the assessment of sites, we'll then need to make a decision whether any of the proposals are viable and stack up financially.
- Following this, there is a procurement process and a full planning application to progress.
- Therefore starts on site would be unlikely until 2024.

# Empty Homes

- One plank of the work underway to increase supply is to address the issue of Empty Homes in the PRS.
- There are currently 1769 private empty properties within the borough which shows a gradual but significant decline in numbers from the start of the year (31/03/2022) when there were 2,620 private empty properties
- Every home back in use is of significant value to the council – if brought back into use at LHA levels, this potentially saves c.£25k per year in costs of sourcing other accommodation for homeless families

# Empty Homes – Council Progress

- 41 homes have been brought back into use as a direct result of LBE work. Results have been achieved through a combination of providing general advice and assistance, leasing to Enfield Let, letting, sale or re-occupation by the owner, offering renovation grants, enforcement action via CPN notices or threat of CPO and ensuring that Council Tax levies/penalties are invoked.
- We are investigating the reasons for the overall significant reduction which is thought to be down to increase in the resolution of probate cases and the disincentive arising from Council tax policy which impacts on empty homes as follows:
  - Any properties that have been unoccupied and unfurnished for more than two years will be charged twice the normal Council Tax rate.
  - Properties that have been empty for more than five years will be charged three times the normal Council Tax rate.
  - From 1 April 2021, the premium for properties that have been empty for more than ten years will increase to four times the normal Council Tax rate.