



Liverpool
City Council

Homes for a £1 – Tackling Empty Homes in Liverpool

APSE Housing, Construction and Building Maintenance
Conference
6 October 2016





Liverpool in Context

- 2008 European Capital of Culture
- Urban renaissance with several landmark developments
- Popular visitor destination - Liverpool One, Cruise Liners, Beatles Story Museum

BUT

- Acute levels of deprivation
 - 22.4% of residents have limiting long term illness or disability
 - Average household income 15% less than national average
 - 62,000 residents receiving assistance with rent





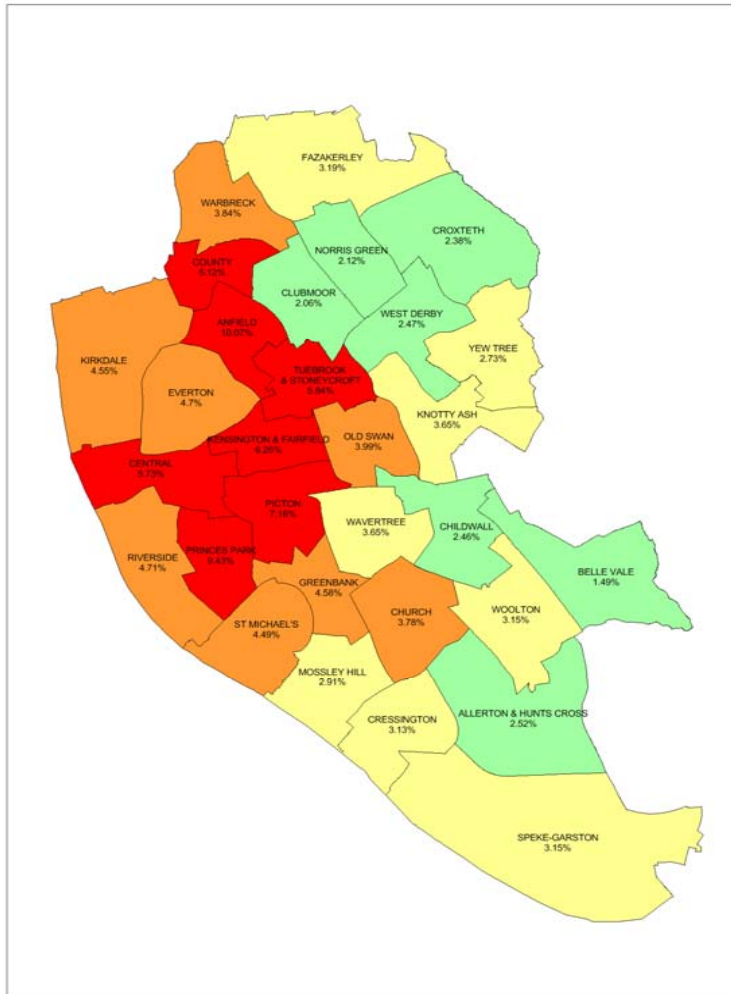
Overview of Housing in Liverpool

- Total number of dwellings is 215,000
 - 47% owner occupied
 - 27.5% social rented
 - 23.5% private rented
- 35% of homes are pre-1919 terraced houses
- 77% of properties are in Council Tax bands A and B
- 35% of privately owned homes are non decent





Scale of Empty Homes Issue in Liverpool



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- There are 8,241 empty homes across the City (3.83% of total dwellings)

- 4,207 are long term vacants i.e. empty for over 6 months (1.95% of total dwellings)

- Empty homes not evenly distributed – higher concentrations in some wards e.g. Anfield 10%, Kensington 7% Princes Park 9%

- Over 90% of vacant homes are privately owned





Underlying Factors

- Population decline in second half of last century – from around 750,000 in 1950 to current population of 466,000
- Ageing stock with a significant investment backlog
- Low property values – 2016 average house price is £121K compared with national average of £233K
- Chronic low demand has contributed to vulnerable housing market conditions in a number of parts of the city
- Low levels of owner occupation
- Exponential growth of the Private Rented Sector





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Policy Background

- Need to develop a managed exit from the Housing Market Renewal Initiative
- Ambitious targets set by the Mayor for building new homes and bringing empty properties back into use
- A Housing Strategy that places housing investment at the centre of future economic prosperity





Liverpool's Strategy for Tackling Empty Homes

- £20 million investment programmes to bring long term vacant properties back into use utilising Transition Fund, Empty Homes Rounds 1&2, Clusters of Empty Homes Grant and supported by the City Council's Capital Programme
- Creation of a specialist Vacant Properties Team to engage with property owners and make effective use of local authority enforcement powers
- Development of new initiatives – empty homes loan, empty homes information event, Homes for a Pound scheme
- Introduction of Citywide Licensing of private landlords to address the correlation of high vacancy rates and concentrations of privately rented properties



Liverpool
**Healthy
Homes**
Healthier homes,
Healthier lives



Background to Homes for a Pound

- Solution needed for properties acquired by the City Council under HMRI
- Abortive deal with a private investor following a marketing exercise
- Appetite for developing new approaches
- Desire to provide opportunities for low cost home ownership
- Homesteading model consistent with community and neighbourhood focused regeneration – successfully trialled as part of Anfield Village Regeneration Plan





Homes for a Pound Pilot Scheme

- Launched in April 2013
- 20 properties in Granby, Edge Hill and Picton areas
- 1,000 applicants
- **Conditions**
 - Live in the property for five years
 - Not allowed to sub-let
- **Eligibility criteria**
 - Resident or working in Liverpool
 - First time buyers never having previously owned a property
 - In full time employment
- **Additional priority**
 - Households with dependent children
 - Households with an annual income of £20K to £30K
 - People with available capital
 - Applicants with good credit history



Homes for a Pound Evaluation

- Pilot scheme has enabled the development of a delivery model including robust assessment process and appropriate legal agreement
- It has levered in private investment in long term vacant dwellings
- Provides home ownership opportunities for people who would otherwise have been excluded due to mortgage lending restrictions
- Equality Impact Assessment
- Levered in private investment in long term vacant dwellings
- Not a stand alone solution but has complemented other regeneration initiatives





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Homes for a Pound Plus

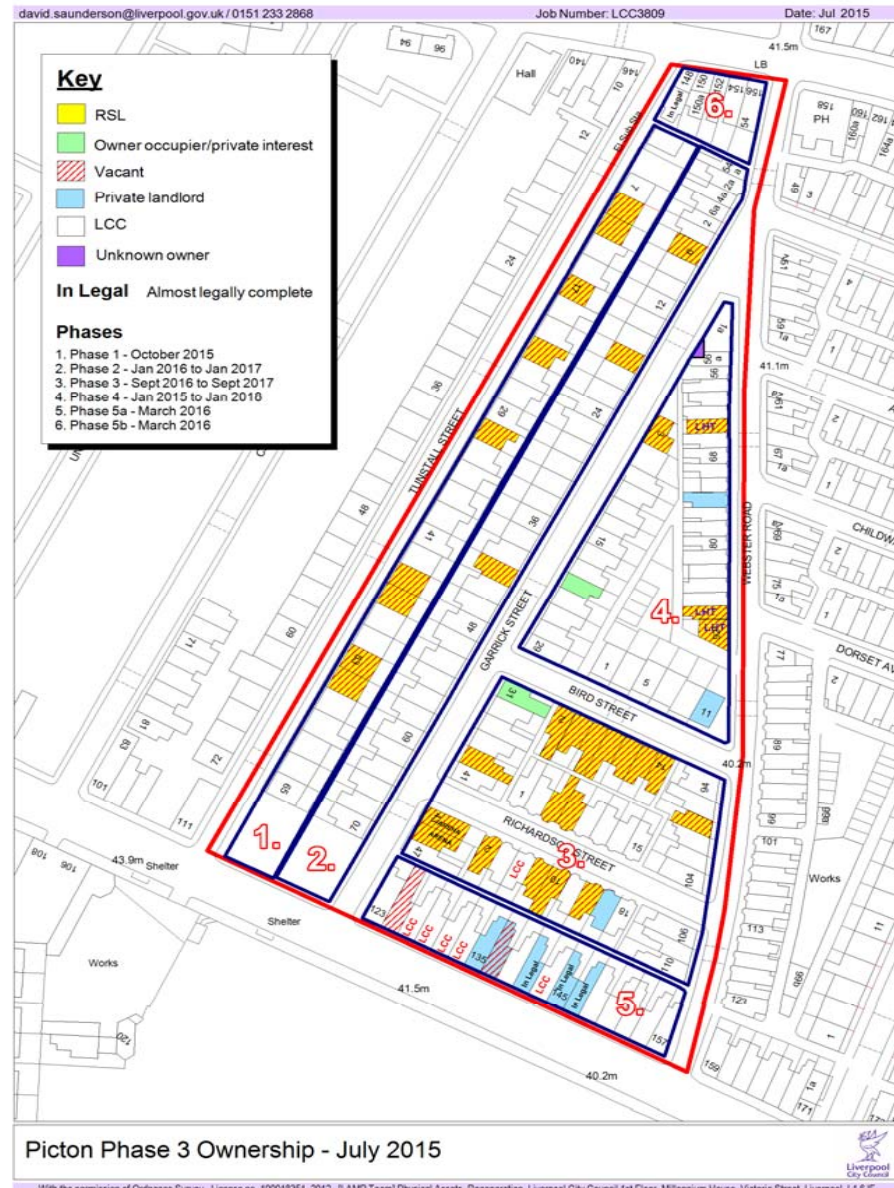
- Extension of pilot scheme
- Will cover 120 properties in the Picton Regeneration Area
- Priority to be given to existing applicants still interested in the scheme
- New applications invited in July 2015 – 2,500 received
- Complementary street scene and energy efficiency works



Homes for a Pound Plus Area



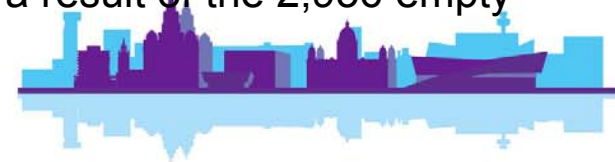
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Integration of Empty Homes Strategy with Wider Housing Strategy and Housing Delivery Plan

- Widening choice and improving quality
- Tackling empty homes complements the Housing Delivery Plan which has delivered 6,518 new homes during the Mayoral term
- Local Authority Mortgage Scheme helped 100 first time buyers into home ownership and stimulated demand
- Homes for a Pound scheme has provided opportunities for people who do not have a priority for social housing but are on the margins of accessing conventional mortgage finance
- 1,167 jobs have been supported as a result of the 2,956 empty homes brought back into use



Tackling Empty Homes Going Forward

- Increasing role for the Council's Strategic Housing Delivery Partner – target to bring a further 1,000 homes back into use involving a further £30 million investment
- Targeted initiatives in areas exhibiting housing stress – Estate Regeneration Fund?
- Exploring new ways of leveraging in private investment





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