



Steve Grimshaw

No Use Empty Project Manager
Regeneration and Economic
Development

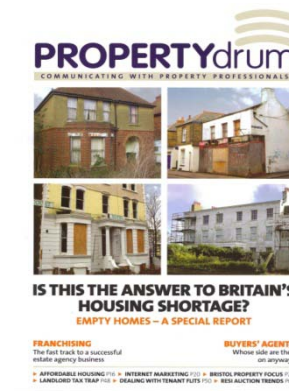
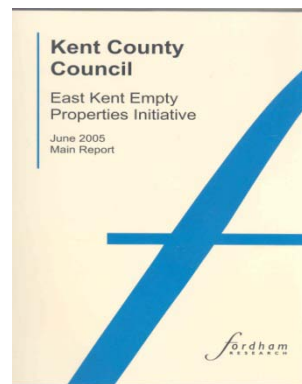
What we set out to achieve



- To improve the physical environment in four coastal districts of Kent - Dover, Shepway, Swale and Thanet by bringing empty properties back into use. These districts contain 19 out of the 20 most deprived wards in Kent and over 3,000 long term empty properties.
- PSA2 Target Performance Indicator 3 Year
- Return 372 private sector long term empty or poorly used properties into occupation as quality accommodation (100% increase on performance).
- Improve both residents' perceptions of the physical environment and business confidence by 15%.
- To extended the Initiative to all 12 local councils. (Achieved during 2008-09)

Partnership Approach

- KCC appointed a project manager for the initiative.
- Undertook initial collection of evidence, including residents & business survey, survey of empty properties, mapping exercise – support from Empty Homes (Agency).
- Appointed “Capital Project Consultancy Ltd (CPC)” – to provide professional and technical expertise.
- Provide financial & non financial support to the Districts.
- Appointed “FD Corporate” to promote and raise the profile of the Initiative.



KCC £6.6M CAPITAL FUNDING PACKAGE

CAPITAL FUND WITH 3 STRANDS

LOAN FUND

- Kent County Council – not a Housing Authority
- Loans - £25,000 per unit, maximum of £175,000 per applicant at 0% interest
- Properties must be sold or let on completion (comply with decent homes standard)
- Do not offer loans where property will be occupied by applicant (F S A)
- Loans are secured as a financial charge against property before funds released
- Maximum LTV 90%, independent RICS valuation (charged to applicant)
- 100% of the funding provided upfront (Phased for larger projects)
- A variety of checks including ID, accounts, legal searches etc. are carried out on all applications



Warehouse, Caves Court

Dover Before and After



++++ ADDITIONAL REVENUE SUPPORT

KCC £6.6M CAPITAL FUNDING PACKAGE



Bellevue Road

- 28 & 32 Bellevue Road
- NUE Loan £120,000
- Developers contribution £100,000
- Total development £220,000
- 5 units of accommodation

- 34 Bellevue Road, Ramsgate
- Unregistered Land – CPO
- Sell the property to developer



Warren Court Hotel

PARTNERSHIP FUND and DIRECT PURCHASE

- Compulsory Purchase Orders
- Works in Default (Building Act, Housing Act, Town and Country Planning Act)
- Empty Dwelling Management Orders

BENEFITS AND OPPORTUNITIES

- The ability to acquire key properties to demonstrate benefits of returning empty properties back into use
- Link with the wider regeneration activities
- Provides opportunities to link with Registered Social Landlords

Loan Scheme – Investment vs. Leverage

<u>Loan Scheme</u>	Funding By	No. of Units	% of Units	Value NUEI Loan £	Leverage	Total Investment	% of Loan	% of Leverage	% of Total Project
Thanet DC	Individuals (<3 units)	71	37%	£1,345,350	£1,149,913	£2,495,263	38%	16%	24%
Dover DC									
Shepway BC	Developers (>4 units)	119	63%	£2,200,000	£5,836,381	£8,036,381	62%	84%	76%
Dartford BC									
Sevenoaks DC	Total	190	100%	£3,545,350	£6,986,293	£10,531,643	100%	100%	100%

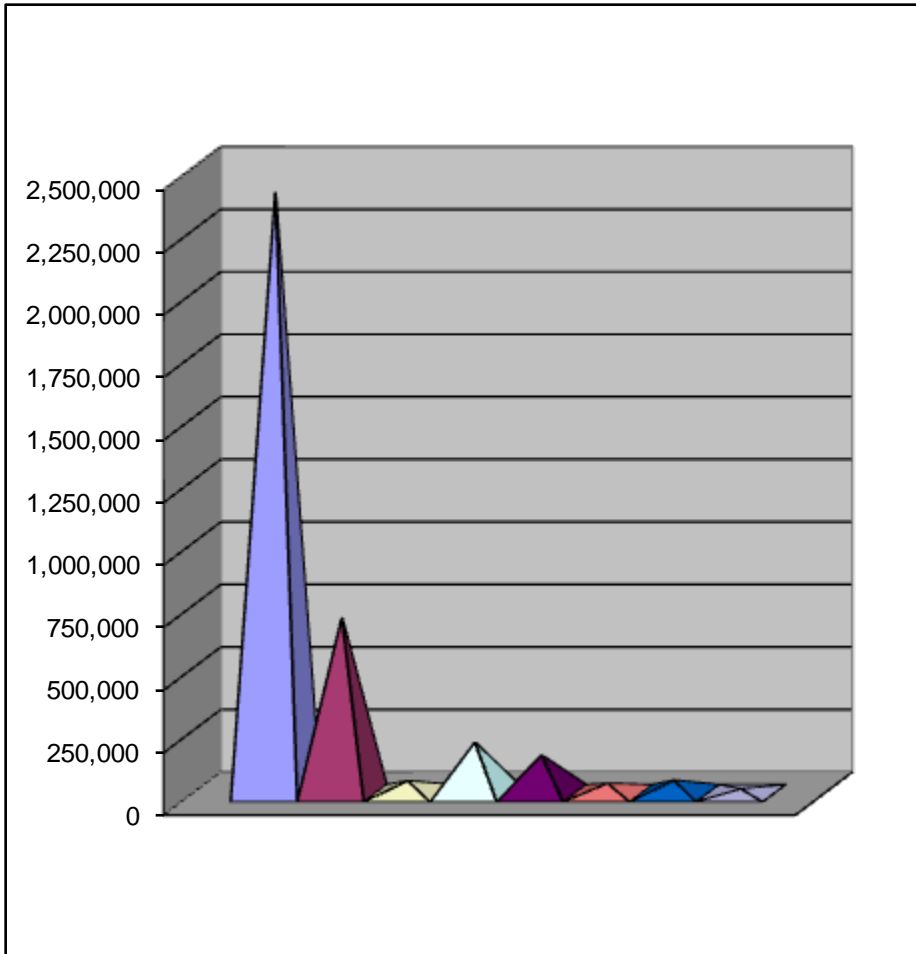
KCC average investment per unit - £18,660

Actual cost to KCC if all current loans run to completion = £266,938 , 2.5% of the total investment - £2,353 per unit

Repayment of £339,000 to date, repayment scheduled for 31st March 2011 - £1,052,540

27% of application forms are returned and of those returned 88% have been approved to date

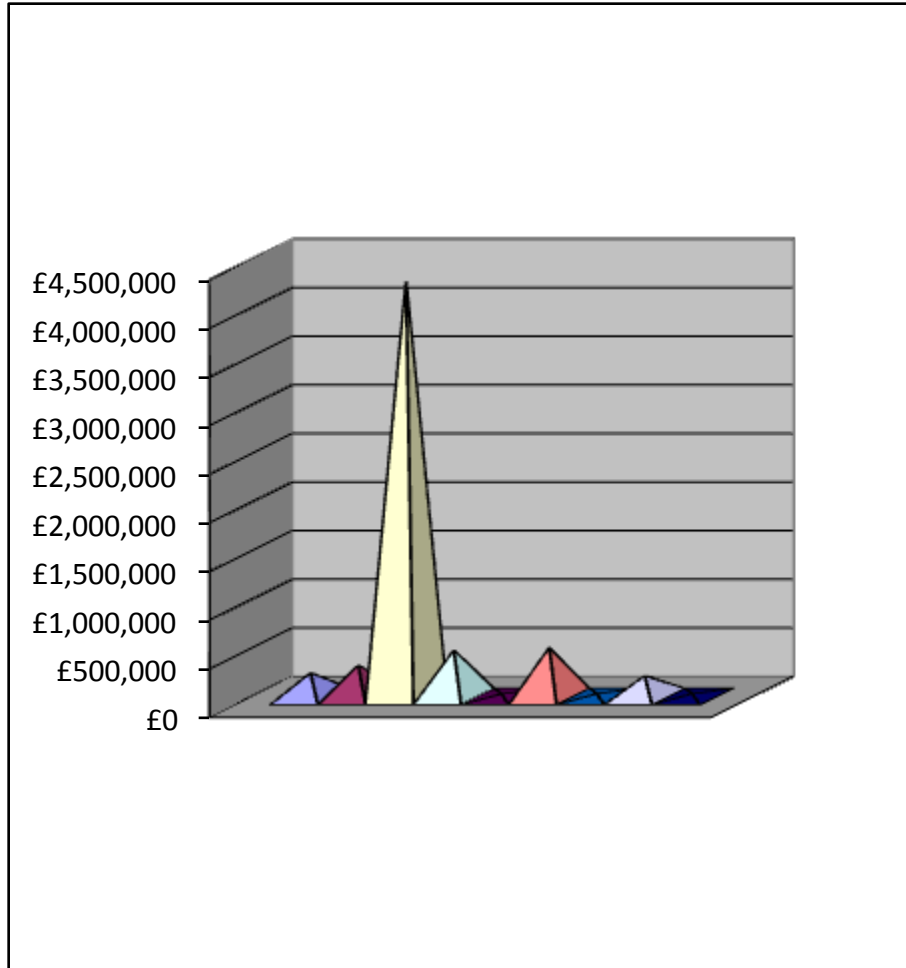
SNAPSHOT DOVER WARDS



WARDS LEFT TO RIGHT / TOP TO BOTTOM

WARD TOTALS	NUEI LOAN	LEVERAGE	TOTAL
CASTLE	£375,000	£2,030,404	£2,405,404
MAXTON	£375,000	£329,879	£704,879
MILL HILL (Deal)	£25,000	£25,000	£50,000
NORTH DEAL (Deal)	£173,350	£31,060	£204,410
ST RADIGUNDS	£67,160	£86,000	£153,160
TOWER HAMLETS	£25,000	£15,000	£40,000
TOWN AND PIER	£42,500	£10,087	£52,587
WALMER (Deal)	£17,500	£0	£17,500
TOTAL	£1,100,510	£2,527,430	£3,627,940

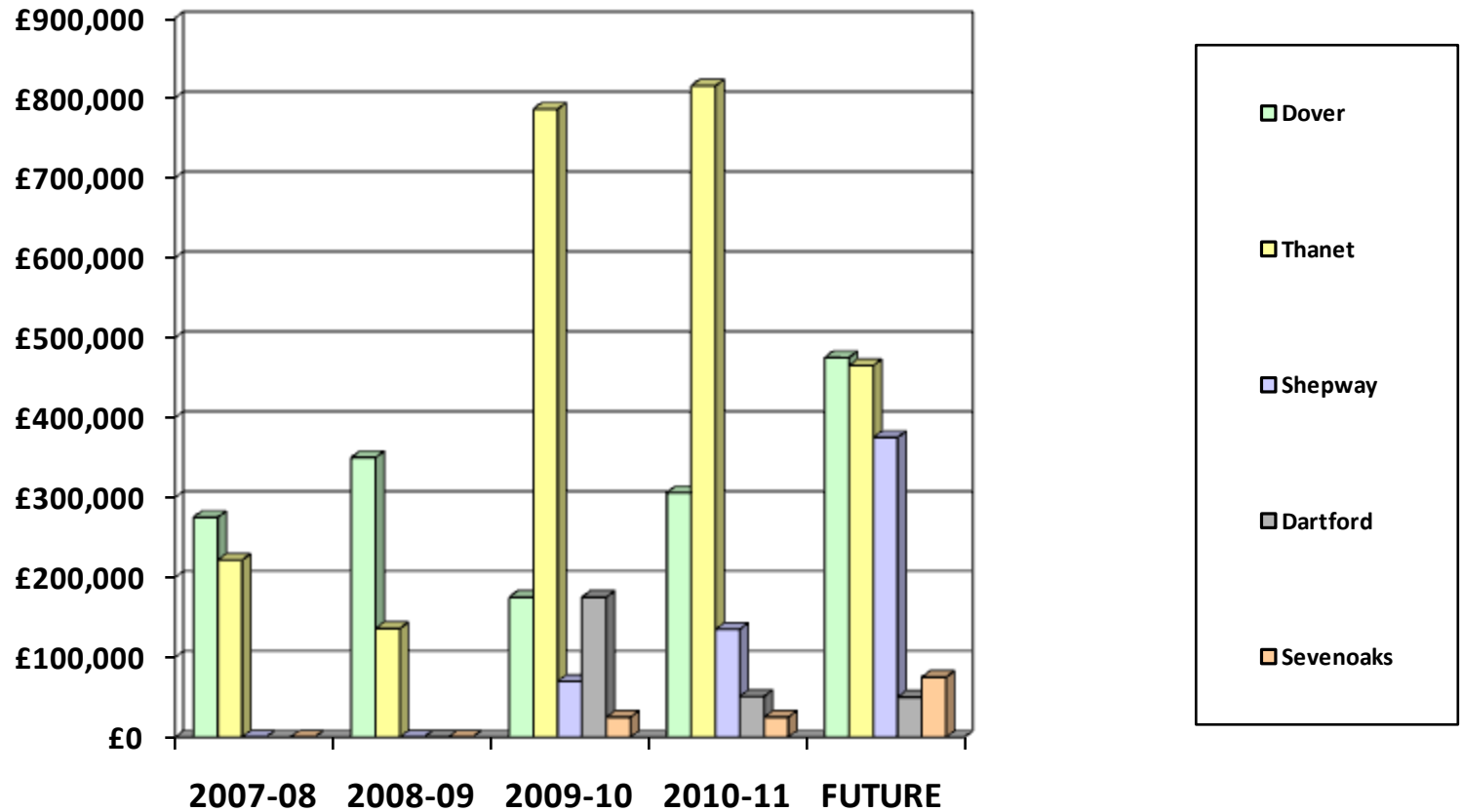
SNAPSHOT THANET WARDS



WARDS LEFT TO RIGHT / TOP TO BOTTOM

WARDTOTALS	NUE LOAN	LEVERAGE	TOTAL
BIRCHINGTON NORTH	£25,000	£220,000	£245,000
CENTRAL HARBOUR	£225,000	£99,000	£324,000
CLIFTONVILLE WEST	£1,045,000	£3,230,000	£4,275,000
EASTCLIFF	£270,000	£209,000	£479,000
GARLINGE	£21,540	£5,000	£26,540
MARGATE CENTRAL	£172,000	£335,000	£507,000
NEWINGTON	£25,000	£4,000	£29,000
WESTBROOK	£150,000	£65,000	£215,000
WESTGATE ON SEA	£25,000	£4,000	£29,000
TOTAL	£ 1,958,540	£ 4,171,000	£ 6,129,540

DEMAND FOR LOAN SCHEME



FUTURE = Value of loans currently identified for potential loan support

Loan Scheme - Outcomes

- **£ 3.5M Loans Approved**
16% Loan to Sell / 84 % Loan to Let
- **£ 6.9M Private Sector Leverage**
- **£ 10.5M Total Investment to date**
- **190 Units supported with Loan Funds**
- **1266 Units returned all Interventions**
- **£18,660 average KCC loan per unit**
- **£2,353 Actual cost to KCC per unit ***
- **£339k repaid to date (no defaults) (£1.2M due by 31 Mar 11, remainder by 31 Mar 13)**
- **Loan Scheme is 2nd most popular intervention**

** (Adjusted for Interest charged at Standard National Rate and Associated Revenue Costs)*



BEFORE AND AFTER PROPERTIES IN SEVENOAKS AND DARTFORD



Achievements to date November 2010

- **Strong partnership arrangements between KCC and the 12 District Councils**
- **Increased output, knowledge, expertise of professional staff and development and sharing of good practice.**
- **Extended the Initiative to all Authorities in Kent and gained National Recognition**
- **Towards 2010 Target to return 850 LTE exceeded - 1,266 achieved across County**
- **New Target to achieve additional 600 units by 31st March 2013 agreed**
- **Returned 210 LTE by 30th Sep 2010**



Lessons Learned and The Future

- **Skills, local knowledge and continuity of a core staff team has been critical in delivering empty homes outcomes and resources are needed to ensure it is possible for local authorities to achieve this.**
- **The availability of loans from the KEPI Capital funding has gained momentum in the last 2-3 years and is now ranked as the second most popular intervention in bringing empty properties back into use.**
- **The KEPI has already made a significant contribution to reducing the number of empty properties across Kent, but remains especially active in Margate and Dover priority areas with a desire to help shape new approaches with Local Authorities, Housing Associations, HCA and private sector investors.**
- **Closer working relationships in support of the Kent & Medway Housing Strategy being established.**
- **More joint working to promote Empty Homes agenda as a priority for Local Investment Plans.**