



Social Impact and Social Value – Interim Evaluation Report for 2014-15

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1. Introduction and Background

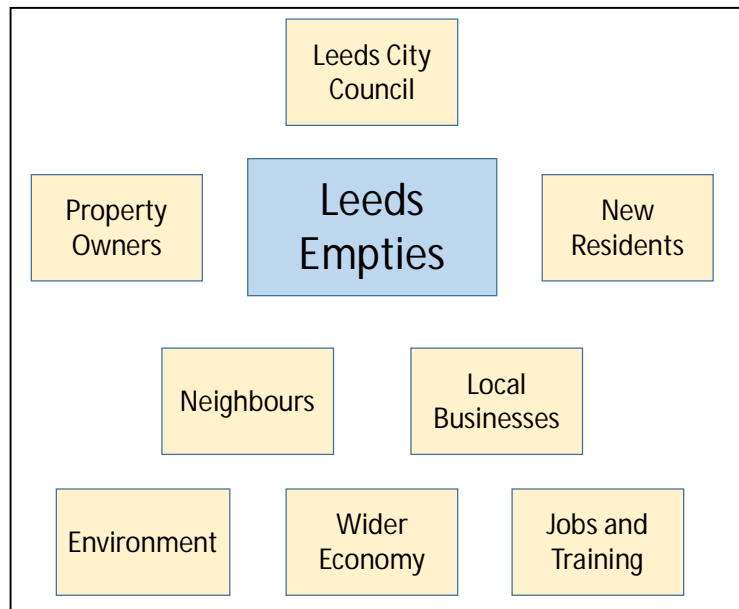
This report presents an independent evaluation of the work of Leeds Empties during the first half of 2014-15. It builds on a previous social impact report produced in March 2014, and identifies the achievements of Leeds Empties in two main areas:

- a) value delivered to Leeds City Council, in return for its funding of Leeds Empties
- b) the wider social impact and social value it delivers for the community of Leeds as a whole

Established in May 2012, Leeds Empties is committed to bringing empty properties back into use as homes, using a range of fresh and innovative approaches. These include its Empty Homes Doctor service, which provides personalised advice to owners of empty properties, and publicity through its web site and social media. Leeds Empties is delivered by Social Business Brokers CIC, a social enterprise established in Leeds in 2010.

Leeds Empties is funded principally by Leeds City Council, which currently gives a grant of £100,000 in return for Leeds Empties achieving a target of 50 empty homes returned to use in 2014-15. Leeds Empties has also been supported by in-kind donations from the Deloitte Social Innovation Pioneers Programme. It has also received £5,000 from the RSA, £1,800 from the University of Leeds Careers Service to support a summer internship, and just under £500 in commission from agencies.

As identified in the earlier report, Leeds Empties’ work affects many different groups and individuals: Leeds City Council, property owners, residents, local businesses and others. Whilst the Council has specific targets for bringing empty homes back into use, Leeds Empties’ wider social impact includes the difference it makes to other ‘stakeholders’. These stakeholders are summarised in the diagram below – those shown closest to the project being the most significant.



This report has been prepared by Andy Bagley of Real-Improvement, and includes recommendations for further development as well as demonstrating achievements to date. Data used in the report, including the text of the case studies in Section 3, has been compiled by Leeds Empties itself, recorded on its Zoho Customer Relationship Management (CRM) database and supported by staff knowledge of individual cases.

2. Case Studies

This section uses case study examples to highlight the overall impact of Leeds Empties' work. The case studies cover a range of situations across different parts of the city, explaining how Leeds Empties has worked with owners to develop solutions, and the results achieved. These results are shown in relation to the different stakeholders they affect – Leeds City Council and others.

Case Study A

Mrs H inherited her back-to-back terrace property in April 2011. She hired a contractor to begin renovations on the property, with the hope of letting it out once the work had been completed.

Mrs H felt compelled to contact Leeds Empties when she received a letter from Leeds City Council outlining the service. At the time she was having great difficulty with her contractor who had disappeared along with her money, having not completed the work.

Leeds Empties spoke to the Engage Partnership who, at the time, had funding from the Homes and Communities Agency. The funding allowed Engage to take out long term leases on properties, renovate them and then let them out to people on the local Council housing waiting list.

Unfortunately, Engage felt that the project would be too expensive for them to take on and also confirmed fears that the contractor had mis-sold Mrs H a cellar conversion, which had never been completed. Faced with a huge hole in the front garden and a contractor who had absconded, the financial pressure was beginning to mount for Mrs H.

Leeds Empties discussed all the options available to Mrs H who decided that the best thing for her to do would be to sell at auction.

The house was sold at auction in March 2014 and achieved £17,000 more than the estimated valuation. Mrs H was very happy with the eventual sale. In the space of a few months, Leeds Empties helped her understand the options available and made it easy for her to make the decisions that led to a successful outcome. At the time of writing, the property is undergoing extensive refurbishment so that it can be lived in once again.

| Who Benefits | How They Benefit |
|--------------------|--|
| Leeds City Council | Another long term empty property back into use as a home, and a contribution towards the Council's New Homes Bonus allocation |
| Owner (Mrs H) | Asset value of property realised from sale (more than expected) No longer paying 150% Council Tax or other outgoings on the property. Relief from the stress and anxiety that the property was causing her |
| New owner | A property to develop and bring back into use as a home following refurbishment |
| Auction House | Commission value of the sale |
| Local tradespeople | Value to new contractor(s) of building work needed to bring the property back into use. |
| Neighbours | <i>[Possible benefits - to be considered in final report]</i> |

Case Study B

Mr L has Power of Attorney for his uncle, who went into care in 2007. His uncle's property, a 2-bed semi-detached house became empty at that time and had remained so for six years. Mr L received a letter from the Council detailing Leeds Empties' service and got in contact with them in November 2013 – at the time unsure of what he wanted to do with the property.

Although he had access to funds for renovation work, Mr L was also considering selling the property – on which he was now paying the 150% long-term empty Council Tax premium. Leeds Empties helped Mr L explore all of the options available to him and put him in touch with Let-Leeds, a local lettings agency. Let-Leeds gave him an estimate for the renovation work that would be required to bring the property up to letting standard, along with a quotation of what he could expect to achieve in rental income following the completion of the this work.

Mr L decided to proceed with the renovation work through Let-Leeds, and this work was completed in April 2014. His property was snapped up immediately on the letting market and is now in use as a family home. Leeds Empties were delighted that Mr L's property was renovated to such a high standard and that his uncle is now benefiting from the rental income it is generating.

This case highlights how Leeds Empties is able to work with third parties on behalf of the property owner, provided they give consent. In this respect Leeds Empties is able to offer support beyond that which Leeds City Council is able to offer.

| Who Benefits | How They Benefit |
|----------------------|--|
| Leeds City Council | Another long-term empty property back into use as a home, and a contribution towards the Council's New Homes Bonus allocation (In some cases like this, residential care home fees being met by Leeds CC Adult Social Care could be recovered – not known if this is the case here.) |
| Owner (Mr L's uncle) | Income from property rental helps to pay care home fees No longer paying 150% Council Tax or other outgoings on the property. |
| Relative (Mr L) | Maximising the value from his uncle's estate, some of which he may eventually inherit Satisfaction from seeing a family home back in use |
| New tenant | A new family home, more suited to their needs |
| Let-Leeds | Rental management fee |
| Local tradespeople | Value to contractor(s) of building work needed to bring the property to a standard suitable for letting |
| Neighbours | <i>[Possible benefits - to be considered in final report]</i> |

Case Study C

Mrs S moved away from Leeds in 2009, leaving empty the spacious three-bed property she owned and had previously lived in. Prompted into action by a letter from Leeds City Council outlining Leeds Empties' service, she first got in contact in January 2014.

Not only without power or water, the property had also been broken into by squatters and was in complete disrepair. It was in need of a complete renovation. Mrs S felt that she was unable to oversee renovation work on the property herself as she no longer lived in Leeds.

Mrs S's property was in an area which experiences problems with underpinning, meaning many people are unable to obtain mortgages. Owing to this and the condition of the property, Mrs S decided that the best option would be to auction the property. Leeds Empties arranged for two local auction houses to meet them at the property and offer their estimations.

Auction House sold Mrs S's property in July 2014, for substantially more than Mrs S expected. Leeds Empties was able to deal with a lot of the work on behalf of Mrs S as she was unable to make regular visits to Leeds. Leeds Empties were able to make the process a lot easier and more manageable, and prevented the property from remaining empty – which it undoubtedly would have done without their intervention.

| Who Benefits | How They Benefit |
|--------------------|---|
| Leeds City Council | Another long-term empty property back into use as a home, and a contribution towards the Council's New Homes Bonus allocation |
| Owner (Mrs S) | Asset value of property realised from sale (more than expected) Resolution of the financial and other problems that the empty property was causing her – no longer paying 150% Council Tax and other outgoings |
| New owner | A property to develop and bring back into use as a home (The property has been bought by an investor who plans to extensively renovate it) |
| Auction House | Commission value of the sale |
| Local tradespeople | Value to contractors of the building and refurbishment work that will be needed to bring the property back into use |
| Neighbours | <i>[Possible benefits - to be considered in final report]</i> |

Case Study D

Mrs H purchased her first buy-to-let property in 2005, which was at the time divided into six fully tenanted units. Problems began when within four weeks of Mrs H buying the property all of the tenants moved out. Mrs H later found out that the tenants had in fact been paid to live there during the sale – which made the property seem a much more attractive investment opportunity.

Faced with paying Council Tax on six empty units, Mrs H arranged for property to be converted once again from six flats to one home. Mrs H arranged for a new central heating system to be installed at the property, which was then stolen within twenty-four hours of it arriving at the property. The final straw came when the replacement central heating system was again stolen within the first day of being installed. Deciding that there was no option but to cut her losses, Mrs H boarded up the house and it remained empty for the following eight years.

Prompted into action again when another break-in landed Mrs H with a large bill from the Council to board up the basement, she contacted Leeds Empties for assistance. They arranged for the property to be boarded at a much cheaper rate and started the wheels in motion to get the property back

into use. Due to financial pressures, Mrs H had no option but to sell her family home and move in with relatives – her empty property forcing a drastic change in her personal circumstances.

Leeds Empties helped Mrs H explore all of the options available to her before she decided that the best option for her would be to renovate the property to let. Contacting local suppliers, they helped her to undertake a complete renovation of the house – organising a new central heating system, kitchen, bathroom, flooring and redecoration throughout. They also sorted out the damp problem that was present throughout the property – a result it being empty for so long.

Mrs H's property was finally let in July 2014. Having been Leeds Empties' of our greatest challenges, this case highlights the great stress owning an empty home can cause a family, both personally and financially. It also highlights the extent to which Leeds Empties is able to help property owners in difficult situations.

| Who Benefits | How They Benefit |
|--------------------|--|
| Leeds City Council | Another long-term empty property back into use as a home, and a contribution towards the Council's New Homes Bonus allocation |
| Owner (Mrs H) | Income from property rental No longer paying 150% Council Tax or other outgoings to maintain the property Relief from financial and emotional stress that the property was causing her |
| New tenant | A new home, more suited to their needs |
| Letting agency | Rental management fee |
| Local tradespeople | Value to contractor(s) of building work needed to bring the property to a standard suitable for letting |
| Neighbours | <i>[Possible benefits - to be considered in final report]</i> |

Case Study E

Mrs L's 2-bed terrace house had been empty since she moved into sheltered accommodation more than six months previously.

Mrs L contacted Leeds Empties in March 2013 after receiving a letter from the Council on behalf of Leeds Empties, explaining their service. At the time, Mrs L saw her property as a 'safeguard' – she felt secure knowing that it would be there should she ever need it.

At the time, the Homes and Communities Agency ran a scheme which made money available to local social housing providers to take empty properties on to long-term leases. These providers then brought to a good standard and rented them out to people on their waiting lists. In Leeds, these social housing providers were LATCH, Canopy, Fresh Horizons and Connect Housing, working together as The Engage Partnership.

For Mrs L, the scheme was perfectly suited to her circumstances, as she had no mortgage and was happy to agree to a long-term rental contract. LATCH agreed a lease on the property and began renovation. The cost of the work will then be repaid to them through a percentage of the monthly rental income, until it is fully paid off.

Mrs L was happy to see her empty property brought back into use in this way, whilst also being able to retain ownership of the property. The Engage Partnership's scheme suited Mrs L as she could benefit from a share of the rental income, but she didn't have to manage the renovation work herself, or pay any contribution to it up-front.

Leeds Empties are able to give information on schemes that people may not otherwise be aware of. In this case they were able to offer Mrs L a solution that brought her empty property back into use in a way that perfectly suited her needs.

| Who Benefits | How They Benefit |
|--|--|
| Leeds City Council | Another long-term empty property back into use as a home, and a contribution towards the Council's New Homes Bonus allocation Housing provided for someone who is high priority on housing list |
| Owner (Mrs L) | Part of income from property rental (some of which goes towards the cost of refurbishment) Able to retain her property as a long-term asset, knowing that it will be properly managed and has been renovated to a high standard No longer paying Council Tax on the property |
| New tenant | A home for someone who is high-priority on the waiting list |
| The Engage Partnership (LATCH for this property) | Part of income from property rental (some of which goes towards the cost of refurbishment and LATCH running costs) Contribution to their objectives on housing, training and future employment |
| Local tradespeople | Some of the building work needed to bring the property to a standard suitable for letting (where this is not done by LATCH volunteers) |
| Neighbours | <i>[Possible benefits - to be considered in final report]</i> |

3. What Leeds Empties Achieves

This section examines the outcomes that Leeds Empties achieves, building on the case studies in the previous section. This is divided into two parts:

- a) Benefits to Leeds City Council – Empty Homes Team and other parts of the Council
- b) Benefits to other stakeholders

A. Leeds City Council

The work of Leeds Empties complements that of the Council's own Empty Homes Team, and in some respects is quite similar. Both organisations try to bring back into use as many empty properties as possible, liaising with their owners to develop the best solution in each case. There are two major differences however:

- The Council is able to take enforcement action, including notices for repairs, carrying out repairs and charging the owner, and ultimately compulsory purchase if necessary. Leeds Empties does not have these powers.
- Leeds Empties is able to give more personalised support to home owners, "handholding" and working on behalf of owners in situations where the Council could not. Some owners may also perceive Leeds Empties to be more approachable than the Council.

For these reasons (also supported by analysis from Leeds Empties' March 2014 evaluation report), Leeds Empties' relationship with the Council has developed so that each service targets areas of the city in which their respective approaches are thought most likely to be effective. Generally (although not exclusively) this means that the Council focuses on inner-city areas of high density housing, whilst Leeds Empties concentrates on more suburban areas further from the city centre.

Through helping to bring empty properties back into use, Leeds Empties has a positive impact on the Council in a number of ways:

- It supports Council strategy on reducing the number of empty homes, in order to maximise the amount of accommodation available in Leeds and enhance the overall appearance of the city.
- It helps to bring additional income to the Council through the government's New Homes Bonus scheme. The amount awarded to each Local Authority is calculated by DCLG through a complex formula, but equates to approximately £1000 per year over a 6 year period, per empty property brought back into use.
- It provides the Council with more accurate data, for example when it finds that properties are incorrectly recorded as empty on the Council's database. This 'data cleansing' aspect involves relatively little effort for Leeds Empties, but can still benefit the Council financially through the New Homes Bonus.
- It enables the Council to collect arrears debts it is owed when these properties are sold. These arrears may accrue from a number of sources including Council Tax, enforcement notices, deferred works, and in some cases payment of residential care home fees by Adult Social Care. Whilst in principle the Council should eventually collect these debts (through a charge on the

property if nothing else), this could take a considerable time. There is the risk is that such debts could eventually total more than the property's value, in which case the Council would lose out.

- It has a very modest impact on homelessness and the Council's housing waiting list. The number of properties it deals with is tiny compared to overall numbers on the waiting list, but some homes are made available for high-priority cases (see Case Study E).

There may also be wider benefits to the Council and city generally, in terms of enhanced profile and reputation through the publicity that Leeds Empties has achieved. The impact of this is very difficult to assess, although could eventually result in the Empty Homes Doctor model being adopted by other cities; the final report will consider this in more detail.

Set against this are two potential negative impacts for Leeds City Council:

- The Council charges 150% Council Tax once a property has been empty for two years. It will always expect to collect such charges eventually (with the rare exception above if the debt exceeds the property's value), hence bringing such properties back into use will reduce this aspect of Council income. Council policy nevertheless prioritises bringing empty homes back into use, and in any case only a minority of Leeds Empties' cases fall into this category.
- There may be a small cost to the Council in staff time spent liaising with Leeds Empties. This is a notional cost as the Council does not employ any extra staff for this purpose, and it should in any case be offset by a reduction in housing enquiries to the Council from the public.

For the 2014 to 15 year to date (April to early September, just under six months), Leeds Empties has brought 42 empty properties back into use. Its work on some of these began before April 2014, but this still represents a substantial increase on its 2013 to 14 performance. At the present rate of progress, it is likely to significantly overachieve on its 2014-15 target.

In addition, Leeds Empties has also identified some 14 properties that were incorrectly recorded as empty on the Council's database. This "data cleansing" activity, whilst involving minimal work from Leeds Empties, should still contribute towards the Council's New Homes Bonus. (These cases are recorded separately rather than as part of Leeds Empties target.)

Leeds Empties is currently working on approximately 80 cases, and receiving a steady stream of new referrals. The time taken to resolve each case varies considerably, but in most cases Leeds Empties is able to achieve a successful outcome in under six months.

Leeds Empties succeeds because it is able to complement the Council's own services, achieving results where the Council would find this more difficult, or less economic to manage. Whilst the basic options are similar, Leeds Empties has the flexibility to provide a more personalised and in-depth approach, and this lies at the heart of its Empty Homes Doctor approach.

B. Other Stakeholders

Property Owners

Property owners – and in some cases their relatives – benefit from Leeds Empties' work in a number of ways:

- Their property is either sold or is rented/leased. Either way, an asset that they previously could not access becomes a source of income.
- Moreover, in almost all cases owners were having to pay to maintain an asset that they could not realise. This relates at least to Council Tax, whether at the standard rate or at 150% if the property had been empty two years. It could also relate to insurance, and to other forms of maintenance needed on the property, including any enforcement notices from the Council.
- Where the owner owns another home as well as the empty property, the cost of outgoings on two properties can be considerable. Case Study D gives an example of a property owner forced to sell the house she was living in because of expenses arising from the empty property.
- In many cases the strain is not only financial but emotional. Many owners of empty properties suffer stress and anxiety from their situation, which is only relieved when Leeds Empties helps them to find a solution.

New Owners/Residents

It is not practical for Leeds Empties to record exactly how many people move in to the properties they help bring back into use. However, we can safely assume that the number of people or families moving in is at least equal to the number of cases completed (more where the property is known to be multi-occupied), and that all of them gain at least some benefit from moving – otherwise they would not have done so. Wherever they come from, new residents benefit by moving to a new home more suited to their needs.

In some cases where a property changes hands, the new owner or leaseholder may derive additional value from further investment in the property, for example through refurbishing and renting it out. Case Study E gives an example of a property taken on by a social enterprise, which can in turn generate a range of wider social benefits for the people it works with as well as new tenants.

Local Businesses

The businesses that benefit directly from Leeds Empties' work include:

- Estate agents and letting agents involved in selling or letting properties
- Solicitors who provide services for house sales
- Others who may be involved in the sale process, such as surveyors and EPC providers
- Local tradespeople (e.g. builders, plumbers, electricians) who may be involved in work needed to bring an empty property back to the standard needed to sell or let.

Whilst a few of these services (e.g. conveyancing) could be provided remotely, most will be delivered by local businesses in Leeds, bringing financial benefits to the area.

Neighbours

To date, it has not been practical to gather data on the impact on neighbours or the wider community of bringing empty properties back into use. It seems likely that there will be a positive impact, particularly where a derelict property blights the local area. However, more information is needed here, and is currently being gathered in preparation for the final report.

Jobs and Work Experience

Leeds Empties has created a new permanent post during the current year. Whilst paid for from core Council funding, this still provides a social impact that at least matches the person's salary.

Leeds Empties also provided a summer placement for a student from the University of Leeds. Whilst not directly related to his degree course, the student found the placement valuable in gaining wider experience of the business world and of social enterprise in particular. He gained a mix of entrepreneurial and social enterprise skills, and as a result wants his future employment to have social as well as financial benefits. Leeds Empties has also found the experience very valuable, and is considering year-long internships for the future.

Others

Leeds Empties work may also support positive outcomes for other stakeholders, such as:

- Job seekers, if increased business for local traders creates new job or training opportunities
- The state, if these new jobs reduce welfare benefits expenditure and increase tax receipts
- The wider environment, where refurbished homes meet higher 'green' standards
- Fuel poverty: associated with higher energy standards, it may be possible to assess the reduction in fuel costs, and hence the number of families brought out of fuel poverty through rehousing
- Other Social Enterprises, such as LATCH in case study E

There is insufficient data at this stage to show any significant impact in these areas. They will be considered for future analysis as Leeds Empties continues to grow however.

Income for the Project

Leeds Empties' ability to attract funding other than from the Council is not a social impact in its own right, but does demonstrate the viability of its operation and ability to generate further value. Some achievement has already been noted here, including RSA, Leeds University and commission-based funding, and there are opportunities to extend this further (see Section 5).

4. Estimating Social Value

This section explains how social value has been estimated from the data in Section 3. In some cases there are direct financial benefits; in other cases social benefits have been identified without financial valuation, or have been given a proxy financial value as explained below. NB: Social value in this context includes the value Leeds Empties achieves for all stakeholders, including property owners and public bodies such as the Council.

Figures are approximate at this stage, and will be refined further for the full end-of-year report.

A. Leeds City Council

The value to Leeds City Council from the government's New Homes Bonus scheme is approximately £6000 for each empty property brought back into use. This is made up of around £1000 per year over a six-year period, but for simplicity the social value for each property is counted once only in the current year (NB: This assumes that the New Homes Bonus scheme will continue in its present form.)

This is offset by reduced Council Tax income, from 150% to 100%, when properties empty for over two years come back into use. Based on a Council Tax band B property, this comes to around £45 per month, or £540 per year. However, this only applies to cases where the property has been empty more than two years, which accounts for about 25% of the cases that Leeds Empties deals with.

A more detailed calculation of this impact will be included in the final 2014 to 15 social impact report. However, figures indicate that since April 2014, Leeds Empties has already created some £214,000 in value to Leeds City Council.

Costs in terms of the Council's liaison time have not been estimated, as there are both positives and negatives to this (see Section 3). Whilst not strictly a factor in terms of social value, it is also the case that Leeds Empties helps the Council to recover outstanding debts quicker than it otherwise would.

Whilst the Council acknowledges the wider social benefits that Leeds Empties achieves, it does not fund Leeds Empties for this purpose. Hence, this wider social value is detailed in the subsection below rather than as a benefit to the Council.

B. Other Stakeholders

Property Owners

Leeds Empties has developed a calculation showing that a typical empty home costs an owner £650 per month¹ - £7,800 per year. (This include mortgage payments, and hence does not take account of the asset value of the property.) For the 42 cases completed so far this year, this comes to a total of £327,600 per year.

¹ Calculation explained at <http://www.leedsEmpties.org.uk/leeds-empty-home-owners-stop-wasting-money-and-talk-to-the-doctor/>

This is purely a financial calculation and does not include relief from stress and anxiety, which we know that many owners experience. No financial value has been assigned here, as it would be inappropriate to do so without more direct feedback from property owners.

New Residents

Those who move into a previously unoccupied property must have a reason to move, and therefore must benefit in some way from moving. This is a social value rather than a direct financial benefit, and can be valued in a number of ways. The simplest assumptions are:

- Owner occupiers benefit by at least the cost of moving house (all expenditure excluding the sale price of the property). The figure used is an average for such expenditure: £1,385² per move.
- Tenants can be assumed to have improved their situation from where they were previously living. The value of this is estimated using published data on the difference in compensation value between 'poor' and 'average' private rented accommodation: £700 pa³.

Based on the proportion of final outcomes between these two categories, the year-to-date estimate of value achieved here is just over £35,000.

Local Businesses

Income to local businesses is estimated as follows, based on typical transactions:

- Estate agents: an average of £2,000 per property sold
- Auction houses: an average of £2,000 per property sold at auction
- Letting agents: an average of £600 per year per property let (this could be an annual income, but depends on how often the property is actually let and for how long, so has been taken as a one off figure here)
- Others who may be involved in the sale process, e.g. solicitors, surveyors, EPC providers and removal firms. An average figure quoted here is £1,385 per move (see New Residents above)
- Local tradespeople: Leeds Empties has tracked 17 cases completed in the current year, where spending on refurbishment totals £99,000; this suggests an average of just under £6,000 per property where this work is required – valuable income for local businesses.

NB: In some cases, particularly where properties are auctioned, local tradespeople may undertake refurbishment work after Leeds Empties' has closed its involvement. This still represents a positive impact that Leeds Empties has on local business and the economy.

An estimate based on the above figures is that Leeds Empties has brought business worth around £215,000 to the Leeds area so far this year.

² Source: reallymoving.com, 2013

³ Source: *The Social Impact of Housing Providers*, HACT/Fujiwara, 2013

Neighbours

Information on the impact for neighbours is currently being gathered for the final report. It is not clear yet whether a financial valuation of this will be feasible.

Jobs and Work Experience

No financial valuation is included at this interim report stage, but will be considered as part of the final report in the light of any further developments on this aspect.

5. Conclusions and Recommendations

Leeds Empties has clearly proved itself a highly successful Social Enterprise, and has already made significant progress beyond the achievements of its first year. In less than six months of 2014-15 it has already brought 42 properties back into use. This almost matches the number it achieved in the whole of 2013-14, and is close to the Council's target of 50 for the full year. At this rate of progress it can expect to significantly over-achieve in relation to its target for this year.

Leeds Empties has achieved this through its new and innovative ways of working. Although the options it gives property owners are similar to the Council's own Empty Homes Team, it can reach and engage people in situations the Council finds more difficult. It can also offer highly personalised support and advice that owners appreciate and see as impartial. It has learned from experience too, refining its working methods so that they achieve quicker and more effective results.

The current 'division of labour', whereby the Council's Empty Homes Team concentrates on inner-city areas and Leeds Empties tackles properties farther from the centre, has achieved some success but has yet to be fully tested, as Leeds Empties still works with some inner-city properties. A full analysis will be done for the final end-of-year report to review the effectiveness of this approach. Leeds Empties is also able to liaise across different Council departments (e.g. different debts are owed on the same property), and with third parties to negotiate successful outcomes in some difficult and long-outstanding cases.

The value this brings to Leeds City Council is indisputable, even without taking account of the wider social impact that Leeds Empties achieves. With each new property worth around £6000 in New Homes Bonus (assuming the current scheme continues), and taking account of reduced Council Tax income, the net value to Leeds City Council is projected to be more than £250,000 for the year, even if Leeds Empties simply achieves the target of 50. If it achieves 100, the Council stands to gain more than £500,000 for its investment of £100,000 – a return of over 5:1 (although it is fair to say that in some cases this is a shared result, with Leeds Empties working in partnership with other external agencies to achieve the best final outcome).

As well as this, Leeds Empties brings social value for many other stakeholders. These include:

- owners of empty homes, who realise an asset and/or gain income instead of having to pay continuing outgoings;
- new residents, who gain somewhere better to live;
- local businesses, who benefit from property transfers and the refurbishment work which is often needed to make properties habitable;
- in some cases Neighbours, where empty properties blight the local community
- other social enterprises in the city, who use volunteers to bring empty homes back into use (see Case Study E)

For this interim report, the full value of these social impacts has not been calculated in detail. However a reasonable estimate is that in 2014-15 Leeds Empties has already delivered value

totalling around £578,000 to these stakeholders – with some aspects yet to be included – and that more still can be anticipated for the full year.

All of the data in this report will be reviewed and updated for the full end-of-year version. As part of this, Leeds Empties records will be compared with Council Tax data to confirm that properties have indeed been brought back into use as expected, and that there is no significant 'drop-off' in terms of properties quickly becoming empty again.

As this is an interim report, no formal recommendations are made at this stage. However, as "things to think about", there are two aspects that Leeds Empties could consider around its current operating model and future sustainability:

1. Leeds City Council funding is based purely on numbers, whereas in practice some cases take Leeds Empties much more time and effort to resolve than others. At present there is a general acceptance that these differences balance out overall, but some way of recognising the time needed to deal with more difficult cases could be discussed with the Council.
2. Linked to this, there is also a mismatch between the beneficiaries of Leeds Empties social impact and its funding sources. For example, property owners gain considerably from what is for them a free service at the moment. Leeds Empties should consider ways of diversifying and increasing its funding through options such as referral fees, grant-making institutions, and even charging clients for some of the services it provides.

There are practical issues in taking this forward, particularly as empty home owners may regard Leeds Empties as a Council funded service, and would in any case not be charged for any dealings direct with the Council. However this could be pursued by understanding more of the benefits that property owners gain from dealing with Leeds Empties, and how they value these – a possible area for further investigation going forward.

The fact that Leeds Empties operates as a social enterprise also presents opportunities, particularly if wider benefits to local communities can be demonstrated. If so, this may open up future funding options, for example from grant-making bodies interested in social impact and change. Such an approach would give Leeds Empties some resilience should future changes either to Council policy or to the New Homes Bonus scheme affect its current viability.