



6 Operating myths about using CapacityGrid to get the best outcome for **your New Homes Bonus in 2017**

1. It's duplication

Won't my Housing and Council Tax teams identify these properties as part of their day-to-day activity?

The councils achieving above average results dedicate specific resources, rather than adding responsibilities to an existing team. This year, most won't have that luxury unless they use a specialist third party that is prepared to take all of the risk up-front (so fees are paid from income gained and the review effectively costs nothing).

2. Self-reporters

We're communicating with our community ourselves, what happens when people notify us directly?

We don't charge for properties that are self-reported during our review, only for the ones we find. It's a combination of the right data, analysis, procedures and time to find non-reporters. By working hard, we've shown it is possible to double the national average LTE removal rate from 10% to 23%, securing £319m NHB for Councils so far. Most individuals are already paying some Council Tax on their property, so when the property becomes occupied, they won't feel the need to report it. Without a proactive review, these properties won't be identified quickly enough to qualify for this year's NHB funding.

3. Leave until later

Isn't it more efficient to undertake the review in one go as near to the end date as possible?

In 2014, those who left the review to the last minute missed out. In the month after CTB1, we received 432 pieces of information across our network, confirming a property was occupied. These properties were worth £3.4 million in missed New Homes Bonus funding, an average of £44,000 lost for each Council. – change 2014 to 2016, 432 to 450 pieces of work.

4. It's just like other reviews

We're already very good at reviews, so why can't we just do this in the same way we do all the others?

Reviewing empty homes is unique and highly specialised. To get the best results, you need to invest in the right data, systems and process, all of which takes time to setup - especially if you only do it once a year. You may however, use a team that has this already and can provide it without any up-front investment or delay.

5. Just work harder

Isn't this just a simple task that can be added to existing work the team is already doing? If they get behind, it's cheaper to hire temps or do overtime?

Throwing more people at the problem doesn't work, especially if it's late. To work effectively your team need the best tools available for running reviews. That means web forms, pre-configured workflows, DMS integration, tailored reporting, and a scoring algorithm that uses third party and process data to prioritise review targets. In addition, we include activity such as outbound calling and inspections over weekends to help achieve better results.

£319m

New Homes Bonus
achieved

£323

Empty Homes
Reviews

23%

LTE removal rate
(13% higher than national
average of 10%)

6. It's expensive

How do I know if I'm going to get any value out of this service above the level we could generate ourselves?

Councils tell us they prefer payment-by-results, so based on the funding payment paid over four years, we only charge a 3% no-risk fee. 97% of benefit is kept by the Council, we bear the cost of service, manage all the work and take all of the risk, based on our unrivalled record of results. Last year, across the 73 Councils we worked with, the average fee we charged was the same as the NHB benefit to the Council of finding just three occupied properties. In fact, we identified an average of 122 properties occupied per Council, generating far more NHB and a huge return on investment (typically a £1:£40 return).