

# **Empty Homes: Housing Solutions – A Strategy for Slough**

**MARCH 2011**

Lynn Collingbourne, HQN Associate

## **Foreword**

The number of families and other households needing homes in Slough has grown by over 50% since 2007/08 to 6,500 in January 2011. With only 750 homes becoming available to rent each year it could take nearly 9 years to meet their needs. Building new affordable homes is becoming harder for housing associations to fund in the current economic climate and the rate of new private development has also slowed down. Empty homes in Slough therefore represent an opportunity to provide homes that local people need.

There are around 740 empty homes in Slough of which over 150 have been empty for over 6 months. Whilst we have little information about the reasons that owners leave their properties empty it is likely that many do not know what to do with the home after a loved one dies, are fearful of renting it out or are finding it difficult to sell. An empty property represents a financial drain in terms of council tax, mortgage payments and insurance premiums. Paying for repairs and maintenance, particularly where vandalism is an issue, increases the overall cost of an empty home. Therefore for the owners of empty properties, as well as for the people needing homes, we must do something about this wasted resource.

We are pleased to introduce our plans for bringing more empty homes back into use, particularly for rent to people on the Slough housing register. We intend to be more proactive – providing better information, advice and support to owners. This will include the offer of a letting agency service to take the worry away from owners – or they will be able to take advantage of free advertising via our website or through our Homeseekers service if they choose to manage the tenancy themselves. For those needing financial help to bring an empty property up to standard we will provide access to grants and loans. However where owners do not engage with our informal support we will continue to use our legal powers to force the reuse of the wasted home.

**Councillor James Swindlehurst  
Commissioner for Neighbourhoods and Renewal**

## **Contents**

Introduction

Empty Homes in Slough – The Problem

Empty Homes in Slough – Our Achievements

Future Challenges and Priorities

Resources

Our Future Plans

Appendix A – Action Plan

Appendix B – Empty Homes Toolkit

## 1. Introduction

- 1.1 Empty homes in Slough represent a wasted resource. With 6,528 households on the housing register of which 972 are living in overcrowded conditions the 259 empty homes in Slough currently enjoying an exemption from Council Tax appear an easy solution to meeting the needs of many local people.
- 1.2 Empty homes also incur costs for their owners. Whilst the level of council tax payable is reduced for empty homes, there is still a charge of 90% for habitable dwellings and full council tax is charged on uninhabitable property empty for over 12 months. Mortgage payments (where applicable) and insurance premiums still need to be paid. Although maintenance needs due to wear and tear will be minimal, empty homes need to be maintained to preserve the fabric of the building and the cost of remedying vandalism can be high. These costs can be offset by letting the property and in most cases a profit can also be realised.
- 1.3 We understand that there are many good reasons why owners keep a property empty. Delays in the process of probate following the death of a family member are commonly the cause of properties lying empty for long periods. Inability to sell in the current economic climate and nervousness about letting a treasured ex-home is also a cause. Some owners intend to occupy their property but find difficulty in arranging and paying for the work necessary to make it habitable. Whatever the reason we are committed to working with owners to bring empty properties back into use as quickly as possible, ideally to meet the needs of local people without a suitable home.
- 1.4 There are other good reasons for the Council to work proactively with owners of empty homes to bring them back into use. When a property becomes empty and has no furniture or white goods, it can be exempt from Council Tax due for a period of up to 6 months. To qualify for a 12 month exemption a dwelling must be deemed as uninhabitable, i.e. undergoing major works or structural alterations. Both these exemptions will require verification by a Council Tax Inspector. From the date the exemption ceases the full charge will be payable. However during the exemption period there is a significant impact on revenue income and funding for local services.
- 1.5 Some homes left empty for extended periods fall into disrepair, often because of the owners' incapacity in dealing with the problems arising at the property or lack of knowledge about the problems. These properties can present problems for neighbours and local communities. Damage can occur to adjacent properties due to water penetration and dry rot. Overgrown gardens and dilapidated properties are an eyesore and can attract vandalism and other crime. A common cause of complaint about empty homes by local communities is the impact on the value of their home and their ability to sell. Many of the empty homes notified to the Council by local people fall into this category but the numbers are low and the work involved in bringing them back into use is usually extremely time intensive.

- 1.6 Reuse of empty homes is a Government priority. As part of the Comprehensive Spending Review in October 2010 they announced plans to provide £100m to support housing associations to refurbish up to 3,000 homes for affordable rent for up to 10 years. Further details of the funding are awaited and the Government have also announced that bringing empty homes back into use will count as new supply for the New Homes Bonus<sup>1</sup>, the incentive payment scheme proposed to encourage communities to support new development. The use of existing homes to meet housing need also supports the Government commitment to improve value for money and to tackle climate change.
- 1.7 In the past in Slough we have focussed attention on empty homes in the private rented sector and those empty for long periods. Our first Empty Homes Policy approved in 2005 focussed on bringing empty private rented homes back into use. An interim policy agreed in March 2010 gave a greater focus on longer term empty homes that were causing a nuisance to local people. The success of both policies is outlined below but the changing economic climate and the priority to resolve unmet housing needs in Slough means we must review our strategy for dealing with empty homes.
- 1.8 Finally, bringing empty homes back into use will clearly contribute to four of the five priorities in the Slough Housing Strategy 2005-10 and three of the Slough Community Strategy 2008 priorities shown below (latter in brackets and italics):
- Maximise the supply of affordable housing and make best use of existing buildings
  - Strengthen communities to make sure all of our neighbourhoods are safe, viable and attractive areas to live in (*Being safe, feeling safe and A cleaner, greener place to live, work and play*)
  - Prevent homelessness and tackle housing need
  - Improve housing conditions in the public and private sectors
  - *Prosperity for all.*

## 2 Empty Homes in Slough – The Problem

- 2.1 The Private Sector Stock and HMO Condition Survey carried out on behalf of the Council in 2009 estimated the number of empty homes at 740 or 1.9% of the housing stock. A breakdown of these properties by time vacant is shown in Table 1 below.

*Table 1 – Empty Homes by Time Vacant*

Length of vacancy	Number	%
Newly vacant (less than a month)	93	12.5%
Mid term vacant (1 to 6 months)	491	66.3%
Long term vacant (6 months or more)	157	21.2%

<sup>1</sup> The New Homes Bonus will provide match-funding for council tax receipts on new homes delivered and empty homes brought back into use for six years.

Second/holiday home	0	0.0%
All empty homes	740	100.0%

Source: Slough Borough Council Private Sector Stock and HMO Condition Survey 2009

- 2.2 The survey also estimated that the average repair costs for empty homes in £4,844. Empty homes were identified as the category of homes in greatest need of repair. However, many of the long term empties will need to have much more than the average cost spent on them
- 2.3 More recent analysis of the empty homes identified on the Council Tax register at January 2011 shows the number of homes empty and currently enjoying an exemption for Council Tax is 259. This suggests that the number empty between one and six months estimated through the survey has either decreased during the past two years, or that owners have been unaware of the exemption. As the exemption ceases after 6 or 12 months the register provides no information about the properties empty beyond these periods.
- 2.4 Whilst the Council Tax register does not provide information about the size and type of dwellings left empty, the data has been analysed by Council Tax band (as a crude indicator of size) as shown in Table 2 below.

Table 2 – Council Tax (CT) band by number dwellings

CT band	A	B	C	D	E	F	G
Number	6	62	116	40	27	7	1

Source: Council Tax records of all properties enjoying 6 and 12month exemptions, January 2011

Although there is a large variance between properties of a similar size in different parts of Slough, it can generally be assumed that band C-G properties, ie those valued at £52,000 or more in 1991, will have more than one bedroom. If this is the case then around 75% of the properties could be suitable for families living in overcrowded conditions as outlined in section 4 below.

- 2.5 Compared to the national and local picture Slough has a low proportion of homes empty for over 6 months. Table 3 below shows the number estimated in Slough by the survey in 2009 compared to the England, the South East and neighbouring authorities.

Table 3 – Comparison of homes empty over 6 months by area

Area	Number dwellings	Number homes empty over 6 months	% of total dwellings
Wycombe	68900	159	0.2
Slough	50060	157	0.3
Spelthorne	41310	311	0.8
South Bucks	27220	333	1.2
Windsor and Maidenhead	59740	954	1.5
<b>South East</b>	<b>3660700</b>	<b>32819</b>	<b>0.9</b>
<b>England</b>	<b>22693000</b>	<b>295519</b>	<b>1.3</b>

- 2.6 A separate database of long term empty properties is held by the Council and kept under regular review. This currently includes 40 properties and appropriate action is taken on these in line with the current policy and within the resources available. In addition when property inspections are carried out by the Private Sector Housing Service any empty rooms, especially in houses in multiple occupation, are referred to the Housing Options Service to assist people on the housing register.
- 2.7 A survey of empty property owners carried out in the autumn of 2010 showed that the majority were empty following death of a family member or awaiting sale. However responses indicated that sale in the current economic climate was difficult and roughly half suggested that they may be willing to let the property, ideally to professional people or families with children.

### **3 Empty Homes in Slough – Our Achievements**

- 3.1 Since the launch of our existing policy in 2005 we have succeeded in bringing a number of empty homes back into use through our advice and support to owners and our enforcement activity. Two long term empty homes causing a nuisance to local people have been identified for enforcement action, such as compulsory purchase. However this has resulted in the owner commencing refurbishment of the properties to bring them back into use informally.
- 3.2 In some cases we have been able to help people on the housing register to move into an empty home. In these situations the new residents have expressed high levels of satisfaction with the property.
- 3.3 Although staff resources are under pressure, a number of Council staff have dedicated time to dealing with empty homes as part of a wider role in housing. In addition the role of community wardens includes the monitoring and referral of empty homes identified to private sector housing for action. Over the last year the emphasis on monitoring and securing has become more relevant as the incidence of squatting is increasing.

### **4 Future Challenges and Priorities**

- 4.1 Our future challenges relating to empty homes are broad and significant. The main driver for our strategy is the opportunity that empty homes represent in resolving unmet housing need.
- 4.2 In January 2011 there were 6,528 households on the housing register. This represents an 11% increase since the end of March 2010 and a 53% increase on the number on the register in 2007/08. Of these 102 are identified to have a high priority need for housing (Band A in our Homeseekers policy) and just under half are in Band B, with reasonable preference for homes becoming available. During

2009/10 754 local authority and housing association homes were let in Slough, including 110 to existing tenants of the Council. This means that during the course of the year we were unable to help all of the households in most need of housing. With only 225 new affordable homes built in 2009/10 the need to increase the supply of suitable housing to meet housing requirements is imperative.

- 4.3 Whilst the households with the highest priority need are our primary concern, we also have a responsibility to assist the large number of households on our register in Band B, the second priority category, who are living in overcrowded conditions with little hope of a transfer to alternative social rented accommodation. The housing register in January 2011 identifies 972 households are in this position.
- 4.4 A survey of 3,219 households in Band B of the register in the autumn of 2010 elicited a response from over 800, 72% of whom identified themselves as being overcrowded. The majority of these, 61.5% had been waiting over 2 years for alternative accommodation and 13.8% had been waiting over 5 years. Whilst in the minority, 38.6% said they would be happy to consider renting from a private landlord and 61.9% indicated they would be happy to rent from a housing association. Therefore enabling the use of empty homes by these households, whether through direct let by the owner or through a housing association purchase or lease scheme, would have a positive impact.
- 4.5 The type of home needed by applicants and their preferred location is also an important factor in planning to meet needs through enabling a supply of homes. We use this information when working with developers and housing associations delivering new housing and need to do so when considering the reuse of empty homes. Table 4 below shows the number of bedrooms required by households on the housing register. 46% of households only need a single bedroom but 47% need 2 or 3 bedrooms and these households will generally be families with children. As referred to in paragraph 2.4 the majority of homes empty for over 6 months are likely to have two or more bedrooms based on the Council Tax bands.

*Table 4 - Households on housing register by bedrooms required*

<b>Number bedrooms</b>	<b>1bed</b>	<b>2bed</b>	<b>3bed</b>	<b>4bed</b>	<b>5bed</b>	<b>total</b>
<b>Number households</b>	3042	1873	1220	301	92	6528

*Source: Slough Housing Register, January 2011.*

- 4.6 The top 5 location preferences for customers awaiting housing are Central, Town Centre, Wexham, Upton and Stoke Bayliss. These are also areas where social rented homes are in short supply. Of the 259 empty homes exempted from Council Tax, 64 are within these areas of high demand. Table 5 below identifies the potential supply of additional rented accommodation through reuse of empty homes in each of these areas.



*Table 5 – Number of empty homes in each of the areas of high demand for social housing*

Area	Number
Central	15
Town Centre	17
Wexham	12
Upton	12
Stoke Bayliss	8

4.7 Although only 38.6% of respondents to our survey said they would be happy to rent from a private landlord, those that did said they would be more likely to consider this if the property was in their preferred location and the landlord was reliable. We have helped more customers through this route in recent years due to the low supply of social housing. Between April 2010 and January 2011 around 100 private rented homes have been let to customers on the housing register and 20 homeless households have accepted a qualifying offer to private rented housing instead of waiting for a social tenancy.

4.8 Other challenges include:

- Owners of empty homes need information, advice and help to bring them back into use. In recent years a number of owners have asked the Council for help and the survey carried out suggested that many would use the service.
- Neighbours of empty homes want a positive outcome following complaint and satisfaction ratings of these complainants has not been good to date.
- Empty homes are also referred to us by the Police and Fire and Rescue following criminal activity or fire.
- The condition of empty homes requires improvement. The average cost of repairs needed by empty homes (£4,844) was assessed as higher than any category of property in the Private Sector Stock Condition Survey 2009.
- The delivery of new affordable homes to meet housing need is expected to slow down in coming years. The number of homes forecast for 2011/12 and 2012/13 is 61 and 150 respectively despite the Council identifying sufficient land for housing development<sup>2</sup>. Enabling the re-use of empty homes will help to provide additional affordable housing and will contribute to the calculation of the New Homes Bonus.
- Income generation is an important priority for the Council. The Council has produced plans to raise extra income and the re-use of empty homes forms part of this. For every month a home lies empty the council loses between 10-100% of the normal Council Tax income (up to 6/12 months depending on condition).
- Keeping the information about empty homes up to date and keeping abreast of good practice is important. The information about empty homes available from Council Tax records is limited to a particular point in time because of the short term nature of the exemptions. The records also do not include information about the size and type of property. Hence the Council has to be proactive in

<sup>2</sup>Land available for housing development as identified in Strategic Housing Land Availability Assessment, March 2010.

finding out about empty homes. Activity in bringing empty homes back into use across the country is forever improving and we need to research this and learn from it to keep our approach fresh.

- 4.9 Through the survey of empty homes' owners and the Landlords' Forum we have sought stakeholder views on the approach we should take to encouraging the reuse of empty homes in Slough. The survey identified that around 30% of owners would be willing to rent their empty property and whilst 33% of these said they wished to rent to professional people, many indicated they wanted to rent to families with children and vulnerable people.
- 4.10 The challenges outlined above and the steer we have identified from the consultation have provided us with a clear set of priorities. These are:
- Providing better information, advice and support to owners
  - Developing and offering a letting agency service to owners
  - Helping owners sell or find tenants for their homes through our advertising service
  - Providing grants and low interest loans where owners are unable to fund necessary repairs
  - Enforcing the re-use of empty homes where our informal help fails
  - Increasing the Council Tax income to the Council for empty homes
  - Improving the way we identify empty homes
  - Keeping up to date with best practice.
- 4.11 The action we will take to deliver these priorities is summarised in section 6 and more detail is available in Appendix A.

## 5 Resources

- 5.1 As part of our commitment to bringing empty homes back into use we have ensured that the grants and loans available for improving conditions in private housing are available to owners of empty homes in certain circumstances. Our budget for all grant assistance in 2011/12 is £120,000 with a maximum grant per property of £5,000. We have also made funding available through our Home Improvement Loan Scheme for low interest loans, £80,000 in 2011/12 and £120,000 in 2012/13.
- 5.2 Staff resources have also been committed to ensure the service continues to be successful and meets our new priorities. The staff allocation to the service includes:
- Enabling Officer – 0.2 post
  - Housing standards officer – 0.2 post
  - Continued support from community wardens in the monitoring and referral of empty homes.

## 6 Our Future Plans

6.1 Our plans for addressing the priorities are set out in detail in Appendix A. In summary these include:

- **Providing better information, advice and support to owners.** We will market our service through our website and send a letter offering help to all owners of empty homes at the start of a period of Council Tax exemption with a leaflet outlining our service. We will offer support in choosing the best option for the future use of the property and help to progress this.
- **Developing and offering a letting agency service to owners.** We will develop our Deposit Guarantee Scheme to enable us to assist owners of empty homes wishing to let to customers on our housing register. We will also develop a scheme with housing associations to manage empty homes made available for let and to purchase or lease them where the owner prefers.
- **Helping owners sell or find tenants for their homes through our advertising service.** We will develop our Homeseekers service to enable owners wishing to let their home to advertise it alongside the homes being let by the Council and housing associations. Owners wishing to sell will be able to advertise their home through the empty homes pages in our website.
- **Providing grants and low interest loans where owners are unable to fund necessary repairs.** We will publicise the criteria for awarding grants and loans to repair empty homes and promote these to owners seeking help to bring them back into use.
- **Enforcing the re-use of empty homes where our informal help fails.** We will continue to use the legal powers available to us to force owners to bring property back into use where they do not respond to informal action.
- **Increasing the Council Tax income to the Council for empty homes.** We will change the policy for exemption from Council Tax for empty homes and chase income to help us deliver better services.
- **Improving the way we identify empty homes.** We will offer an incentive for owners to respond to the initial letter sent by Council Tax and provide us with information about their empty home and their intentions for future use. We will also advertise our service to the wider community to encourage them to report empty homes to us.
- **Keeping up to date with best practice.** We will maintain our link with the Empty Homes Network and Empty Homes, a charity promoting action for bringing empty homes back into use, to ensure we keep our knowledge up to date. We will also attend events and meetings to learn how others are approaching the problem of empty homes and make links with adjacent Councils to explore how we can work together to tackle them.

## Appendix A – Action Plan

Ref	Action	Who	When
Provide better information, advice and support to owners	Revision of all standard letters and leaflets Update of website Support to choose the best options for future use of property Revision of the Private Sector Renewal Policy to include loans and grants to owners to let their property to people from the Housing register Initial letter to be sent by council tax to provide information about empty homes and future use	JR MB JR MD  xx	Feb 11 July 11 Feb 11 – April 11  xx
Develop and offer a letting service to owners	Develop our Deposit Guarantee Scheme to assist owners of empty homes who wish to let to customers on our housing register by offering a range of options via working with letting agents and Housing associations	MD	May 11 – Oct 11
Help Owners to sell or find tenants	Develop home seekers service to enable owners wishing to let their homes to advertise along side the homes being let by the council or Housing associations. Also be able to advertise through the empty homes pages of our website	??	
Use of enforcement options to council	Continue to use legal powers where owners to not respond to informal action	MD	As necessary
Increase income to the council for empty homes	Change the policy for exemption from council tax for empty homes Improve methods of recovering debts and/or prevent debt from occurring	??	??
Keeping up to date with best practice	Maintain our links with empty homes network Maintain our links with Home and Communities agencies for any funding opportunities	MD	On going

## Appendix B – Empty Homes Toolkit

HQN is the largest independent housing training and consultancy company in the UK. Over 680 housing organisations nationwide subscribe to The Housing Quality Network which provides high quality briefings and workshops on a wide range of issues affecting the sector. We also run a number of specialist networks, provide bespoke consultancy and research, in-house training, interim management (The Pool) and executive recruitment (The Source) services and host a comprehensive programme of conferences and seminars.

**For further information, please contact:**

Consultancy: Jason Lukehurst – [jason@hqnetwork.co.uk](mailto:jason@hqnetwork.co.uk)

Networks: Ben Osborne – [ben@hqnetwork.co.uk](mailto:ben@hqnetwork.co.uk)

Events: Fiona Macfarlane – [fiona@hqnetwork.co.uk](mailto:fiona@hqnetwork.co.uk)

Training: David Ganz – [dave@hqnetwork.co.uk](mailto:dave@hqnetwork.co.uk)

The Pool: Ruth Leap – [ruth@hqnetwork.co.uk](mailto:ruth@hqnetwork.co.uk)

The Source: David Ganz – [dave@hqnetwork.co.uk](mailto:dave@hqnetwork.co.uk)

**Or call any of the above on 0845 4747 004 For further information: [www.hqnetwork.co.uk](http://www.hqnetwork.co.uk)**