



EMPTY HOMES STRATEGY 2020 - 2026

READING BOROUGH COUNCIL

11th March 2020



Housing, Neighbourhoods and Leisure Committee 11th March 2020

CONTENTS

Summary	2
Foreword by Lead Councillor	3
1. Our Empty Homes Aims	3
2. Policy Background	3
Government and Local Policy	4
National and Local Trends	5
3. Why do we have an Empty Homes Strategy?	7
4. Which Empty Homes do we focus on?	8
5. How does the Council respond to Long Term Empty Homes?	9
6. What is new in this Strategy?	9
7. Empty Homes Work Planning	11
8. Council Resources for the Empty Homes Strategy	13
9. How have we done? What have people said?	13
10. Contact Details. Where to get advice.	14
Appendices	16

SUMMARY

This document explains why and how the Council helps to bring unused homes back into use.

There were 571 private homes “registered Long Term Empty homes” or LTEs¹ on the Council Tax system in Reading in 2019². Most have been unoccupied for less than a year with a handful being empty for a decade. LTEs are scattered around the Borough with most found in the more built up parts of the town.

The Council focuses on LTEs that are most damaging to communities and on owners who are struggling to make their spare homes work. The Council try to help owners with advice and funding but will resort to formal powers to persuade the most challenging owners to act. The Council offer Empty Home Grants and Loans in return for the home being let to people that need a home.

Bringing life back to unused homes provides local housing and work for local people. It cleans up derelict eyesores and antisocial behaviour honey-pots as well as improving the lives of owners who are sometimes vulnerable and often at a loss what to do with their spare home.

This is the third version of the strategy since 2008. Since the last Strategy in 2014, the Council has brought back into use 168 of the most troublesome empty homes. Keeping the number of registered LTEs as low as possible also helps the Council earn Government funding called New Homes Bonus.

LEAD COUNCILLOR FOREWORD

Our new Empty Homes Strategy responds to long-standing challenges that still exist in the 21st Century. We want people to have safe, warm and secure homes in peaceful neighbourhoods. We do not want to see vacant derelict homes while there are still some people who have no home at all. We want neighbours to feel confident that that rubbish will not be dumped at the empty home next door, or that the empty home will become a squat and set on fire.

Our strategy tackles the visual impacts of empty homes so they no longer blight communities. We help owners who are struggling to bring their spare homes back into profitable and productive use. We

¹ A registered LTE is a home that has been registered with the Council Tax service as unoccupied/unfurnished for 6 months or longer

² as at 5th October 2019. Data extracted through Council Taxbase Form.

encourage owners to make their once empty homes available to meet local housing needs. We help owners who accept our help but we will take action against owners who are uncooperative or obstructive. It is everyone's interests to see unused homes being renovated and put back into good use.

I have seen how the tenacity and patience of the service has helped owners who had previously been unwilling or unable to turn their spare homes around. I have also seen one-time notorious eyesores renovated and turned into family homes. The work is complex, with one case requiring sensitivity and the next needing legal action to make an owner act. The empty homes service brings together skills within and outside the Council to deliver social, economic and environmental benefits to owners, the community and to the Council.

COUNCILLOR JOHN ENNIS – LEAD COUNCILLOR FOR HOUSING

1. OUR EMPTY HOMES AIMS

- Identify empty homes and their owners, understand the reasons why their homes remain empty and help owners to bring their spare homes back into use.
- Use enforcement powers to force owners to reduce the impact of their unkempt buildings on their locale.
- Encourage owners to make their spare homes available to local people needing a home.
- Contribute towards sustainable development through re-use of existing, finite resources.
- Maximise Council income through New Homes Bonus rewards.

2. POLICY BACKGROUND

"Plans and decisions should support efforts to identify and bring back into residential use empty homes"
National Planning Policy Framework MHCLG 2019³

"86% of MPs polled agree that Government should place higher priority on tackling empty homes."
ComRes Poll of MPs 2018⁴

GOVERNMENT POLICY SINCE 2014?

Empty homes burst onto the agenda in 2011 when the Government released its first ever National Empty Homes strategy along with innovative policies and funding streams. Empty homes action has now become more of a local than national policy concern.

As a non-statutory function, there was concern in the Empty Homes Network⁵ that services would be lost to austerity. Two factors that have helped reduce loss of services are the income generated through New Homes Bonus (NHB) and the reputation of empty homes services themselves. Though NHB rewards have been cut and the future of NHB is in doubt, the reward still persuades Councils to review empty homes figures annually. A renewed Government interest in empty homes would be welcomed.

³ National Planning Policy Framework 2019, MHCLG.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/810507/NPPF_Feb_2019_print_revised.pdf

⁴ "Empty Homes in England 2018", Action on Empty Homes. 2019.

<https://www.actiononemptyhomes.org/Handlers/Download.ashx?IDMF=68fa9a2d-83f5-4ca4-936b-a8d8248484c0>

⁵ The Empty Homes Network is run by empty homes officers to support each other through good practice.

<https://www.ehnetwork.org.uk/>

LOCAL POLICY

Table 1 below sets out how empty homes work fits with Council objectives. In national media campaigns, the empty homes problem is often coupled with features on homelessness, yet ‘Filling the empties’ alone will not solve homelessness. The policy rationale is to do what can be done to improve housing supply while also addressing other issues caused by empty homes.

Table 1. How the service contributes to the Council’s aims.			
STRATEGY	AIM	WHY EMPTY HOMES ARE RELEVANT Empty Homes are relevant	SOLUTIONS
Reading Local Plan 2019	Maximise use of Reading’s limited land	Re-use reduces land-take for new-build homes	Maximise re-use of existing buildings
Reading 2050 Vision	Smarter, greener buildings ... maximise use of space ... increased density and quality of homes for all.	They are a waste and need investment to bring them up to standard	Guidance on renovation works and empty home loans.
Community Safety Strategy 2019-2021	Identify and prevent empty homes from becoming ASB hotpots	They attract fly-tipping, graffiti, arson and squatting.	Natural surveillance by neighbours. House closures. Community Protection Notices.
Our Corporate Plan 2018-21 updated 2019	Improve access to decent homes to meet local needs. Keep the environment clean ... & safe		
Climate Change Strategy	Home energy savings through ...renovation of existing buildings.	They are energy inefficient	Empty Homes Loans. Signposting to home energy savings schemes.
Neighbourhood Strategy	Foster ...attractive ... neighbourhoods where people want to live & work	Empty homes makes areas feel unsafe	Service and residents identify empty homes in area
Homelessness Strategy	Increase the Use and Accessibility of the Private Rented Sector	Empty homes at a time of high homelessness is a missed opportunity	Persuade owners to let renovated homes at affordable rent.
Housing Strategy 2009-14	Meeting local housing need & ensuring good quality homes & neighbourhoods.	Empty homes have a high impact on streets and are incongruous while there is such a need for homes.	‘Clean them, fix them and fill them up’

NATIONAL AND LOCAL TRENDS

“A national problem on the increase” ... again.

Empty homes numbers in England have increased from 200,000 in 2016 to 226,000 in 2019

English LTE numbers fell from 2008 to 2016, with the greatest drop after the New Homes Bonus scheme began, but have increased each year since 2016. Action on Empty Homes links this rise to housing market stagnation, slow sales of new-build homes, the cessation of Government-funded empty homes schemes and a loss of Council empty homes resources⁶. It is also now harder to replicate success of data cleansing exercises carried out in the early years of NHB.

Between 2008-19, Reading's LTE figure was at its highest in 2010 at 610 and its lowest in 2018 at 387. Fluxes like this are not confined to Reading and are affected by the following major factors

- **Major socio-economic events** such as the 2008 crash or market indecision arising from Brexit. These may be responsible for the slow-down in the volume and speed of housing transactions.
- **Fiscal instruments** such as the Second-Home Stamp Duty Surcharge, phasing-out of Buy-To-Let Mortgage Interest Tax Relief and introduction of the Long Term Empty Premium Council Tax charge on LTEs. Changes to Stamp Duty and Buy-To-Let Mortgages have slowed down appetite for investment in the private rental market. The LTE Premium dissuades owners from sitting on their hands by charging more Council Tax the longer a home remains unoccupied.
- **Accuracy of Council Tax data** from which the registered LTE figure is drawn. NHB reward is eaten into by occupied homes wrongly recorded as empty. Councils drive down LTE numbers when they carry out data cleansing exercises.

Table 2 below compares the Council's standing with other areas since 2016. The Council's LTE number is high in 2019 yet the three-year rate of increase in registered LTEs is lower than England as a whole.

The housing market and wider economy are strong in Reading and it does not have whole neighbourhoods or estates mothballed and awaiting regeneration as in some post-industrial towns. Even the most dilapidated homes are bought, renovated and sold or let swiftly. The borough also does not have the scattered and hard to find empty homes of rural districts.

	LTE 2016	LTE 2017	LTE 2018	LTE 2019	LTE CHANGE 2016-19	% CHANGE IN LTE 2016-19	LTE % OF ALL HOMES 2018
Reading BC	515	502	387	571	+56	+11%	0.8
Rest of Berkshire	1,810	2,025	2,327	2,237	+212	+12%	0.7
Comparator Councils⁷ Total	1,990	2,002	2,053	2,287	+297	+15%	0.6
SOUTH EAST TOTAL	23,935	25,378	27,743	29,552	+5,617	+23%	0.8
ENGLAND TOTAL	200,145	205,293	216,186	225,785	+25,640	+13%	0.9

Data from Action on Empty Homes⁸

⁶Empty Homes in England 2019 <https://www.actiononemptyhomes.org/Handlers/Download.ashx?IDMF=a5ea72d6-b24a-4f8e-8dc0-451a6da170e6>

⁷ Comparator Councils = Luton, Southampton, Swindon and Oxford

⁸ <https://www.actiononemptyhomes.org/Handlers/Download.ashx?IDMF=f117e863-ea54-40d3-9bf5-3a23fde72eac>

Reading has a similar prevalence of registered LTEs as four other urban Councils combined, but Reading's rate of increase in numbers is lower than these Councils over the last four years. Half of the six Berkshire Councils saw increases in registered LTE numbers in 2018/19. While Windsor and Maidenhead's LTE figure dropped and Reading's increased by 184 in 2018/19, Reading's 2019 LTE prevalence of LTEs remains half that of Windsor and Maidenhead (0.6% against 1.2%).

Table 3 below compares registered LTE data of the eight South East counties in 2018/19. Once again, trends vary notably. Nearly 90% of the South East's increase in numbers occurred in just four counties. Councils with the higher rates of increase were Reading, Brighton, Wycombe and Ashford. Despite Reading's increase of 47% in 2018/19, the increase for all Berkshire Councils' combined is just 3%.

	LTE 2018	LTE 2019	LTE Change 2018-19	LTE % change 2018-19	LTE (% of all homes) 2019
Berkshire	2,714	2,808	94	+3%	0.7%
Buckinghamshire	2,271	2,467	196	+9%	0.7%
East Sussex	3,198	3,585	387	+12%	0.9%
Hampshire	4,915	5,002	87	+2%	0.6%
Kent	6,172	6,768	596	+10%	0.8%
Oxfordshire	1,748	1,745	-3	-0%	0.6%
Surrey	4,067	4,467	400	+10%	0.9%
West Sussex	2,128	2,220	92	+4%	0.6%
South East TOTAL	27,743	29,552	1,809	+7%	0.7%
England TOTAL	216,186	225,785	9,599	+4%	0.9%

Reading's registered LTE figure rose from 387 to 571 in 2018/19, having fallen 25% in the preceding year. Such swings are inevitable when working with a small number of properties in a depressed housing market. This year's increase has been affected by a glut of unsold/unoccupied new-build flats and by slow rates of sales in the retirement leasehold sector. It should be noted that empty new-builds and hard-to-sell retirement homes appear every year on the LTE count, but in 2019, their numbers were eye-catching. Reasons for high numbers are reflected upon in Table 4 below.

	Reading's Experience 2018-19	CAUSES	Impact on LTE numbers 2018-19
New build homes not sold or let within 6 months of completion	Slow sales of completed new builds observed in two new blocks of flats. On the day of the 2019 LTE count, 37 of 103 flats and 115 of 129 flats (in Abbey and Whitley wards) that had been completed in 2018/19 were empty 6	"New instructions across the UK slip to weakest in 3 years. Buyer enquiries fall as uncertainty deters house purchases. Prices still expected to rise at a national level over the coming 12 months" ¹⁰	+152 LTE

¹⁰ 2019 RICS UK Residential Market Survey <https://www.rics.org/uk/news-insight/research/market-surveys/uk-residential-market-survey/september-2019/>

	months or longer ⁹ .		
Age restricted homes (aka retirement leasehold homes) not sold within 6 months of vacancy	On the day of the 2019 LTE count, 158 LTEs were retirement flats. 119 of these were new build and are included in the line above. 39 were in existing retirement schemes, had been vacated on the death of the former occupier and had Executors seeking Probate. 17 Executors reported delays in the Probate Registry service had stymied their efforts to sell.	“This sector has been experiencing a difficult period for some time” ¹¹ “HMCTS pledge on delay-hit probate system” ¹²	+39 LTE

3. WHY DO WE HAVE AN EMPTY HOMES STRATEGY

To some, the Council’s interest in empty homes looks like unwanted meddling by a public body in an owner’s private affairs. The Council respects the spectrum of opinion about empty homes that can range from, *“It’s my property. I do what I like with it. I’m leaving it empty”* to *“It’s unjust that people are being denied a much-needed home by owners who choose to keep their homes empty”*. The strategy aims to balance the rights of the individual owner against the interests of the wider community in striving to meet the three aims below.

- **Improving neighbourhoods.** The Council receives over 100 empty homes complaints a year. Concerns include the unsightliness of derelict homes, fly-tipping, vandalism, damage to neighbouring property, squatters and fire-setting. The Councils tackle the nuisance and public safety aspects of the empty home. An occupied home is better protected than an empty home.
- **Maximising use of existing homes.** In November 2019, there were 4,304 people on the Council’s Housing Register waiting for a home. Of these, 146 were classed as homeless. Tackling homelessness through increased housing supply is national and local policy. The Council try to persuade owners to let their spare homes at affordable rents that meet local housing.
- **Solving problems for owners.** Often owners are doing nothing because they become paralysed by indecision. In most cases, the final decision about the future use of the home rests with and is made by the owner. The Council aims to coach owners to make their own decisions and in doing so, to resolve personal issues that may have dogged them for years.

Bringing homes back into use has many varied benefits to local people.

- Empty homes can help meet housing demand that might only be met by building more new houses on diminishing green-field sites. The ecological footprint of ‘re-used’ homes is far smaller than that of new build homes. Renovated homes have improved energy efficiency.
- Renovating empty homes creates work for local trades and helps the local economy.
- Absence of empty homes boosts the sense of local well-being and local house prices.
- Owners can earn rental income, their home is more secure when in use and their asset does not suffer depreciation through dilapidation.

CASE STUDY A – OF THREE JOINT OWNERS, ONE HAS DIED AND TWO ARE LIVING IN CARE

Empty for 14 months in Whitley ward. Jointly-owned by two brothers and their late Father (who had left no Will). Neither brother had mental capacity to make decisions about property and finance. Property not registered with the Land Registry. Neighbour complaints



receive the net proceeds.

Once occupied, we will count this as a problem empty home back in use yet will receive no NHB reward for our efforts because the home was not 'registered as long term empty'. It was registered as Council Tax exempt because the brothers had moved into care.

4. WHICH EMPTY HOMES DO WE FOCUS ON?

There are normally around 1,500 unoccupied homes in Reading, with more during University holiday time. Each will be reoccupied in time through 'transactions' such as renovation, sale or re-letting. Some will be demolished and rebuilt at a higher housing density. For most, the transaction runs smoothly and the homes are back in use promptly, but plans often become derailed when owners are unwilling or unable to act themselves.

The Council does not work on all 1,500 unoccupied homes, it concentrates on the following types of unoccupied home. These groups overlap.

- Unoccupied for any length of time and in a condition that is harmful to the area or dangerous to people in the neighbourhood.

WHY THESE? Because they are causing or will cause problems locally.

- Unoccupied for six months or longer, though not registered as LTE.

WHY THESE? Because they are causing a problem or because the owner has asked for help.

- All registered LTEs on the Council Tax system In October 2019, there were 571 registered LTEs in Reading.

WHY THESE? The number of registered LTEs on the Council Tax system is the base data used to calculate the amount of NHB income that the Council receives each year.

There are many other classes of empty homes within the Council Tax system. An example is the Class F Exemption, "empty following death of occupant and awaiting Probate". Though NHB encourages Councils to chase registered LTEs, the Council takes on other types of 'exempt' empty homes in certain circumstances. Each 'exempt' empty home type needs a different approach, sometimes needing extra compassion and sometimes more assertiveness. The Exemption/Discount classes are set out in the Appendix B.

The Council can address empty flats over shops, though many of them are ill suited for adaptation. The Council does not offer an 'Empty Business Premises' service because the legislation we use refers explicitly to 'dwellings'. In the last five years, referrals about small empty commercial premises set in residential streets have increased. The Council can attend to nuisance and public safety issues of these buildings, but cannot bring about their conversion to residential use.

5. HOW DOES THE COUNCIL RESPOND TO LONG TERM EMPTY HOMES?

⁹ By February 2020, the numbers of empty flats in these two schemes had reduced to 30 in the Abbey ward block and 87 in the Whitley extra-care scheme.

¹¹ Quote from a Thames Valley Estate Agency specialising in Retirement Leasehold

¹² <https://www.lawgazette.co.uk/news/hmcts-pledge-on-delay-hit-probate-system/5101960.article>

The Council hears of new empty homes from residents and through Council Tax registrations. In 2011, a seemingly 'new' empty home was found to have been standing empty for 21 years.

Empty homes action involves three phases of work; Investigation, Negotiation/Assistance, and Enforcement. Table 5 below outlines the tasks in each phase along with the Council services and external agencies whose talents may be drawn on depending on each case.

Table 5. Three Phases of Empty Homes Work		
Investigation	Negotiation/Assistance	Enforcement
What is the story? What are the barriers to re-use and what are the solutions?	Help owners to bring homes back into use and to make the empty home their priority.	Using our powers to encourage owners to take property ownership seriously.
Identify and inspect the home. Complete the Priority Risk Rating. Trace and contact owners and others with an interest. Use of data sources, tracing agents, neighbours.	Options Appraisal. Advise owner to sell it, let, lease or occupy the home Valuations, builders & costs of works, Legal issues (inc Probate), Council Tax status, VAT relief, Loans & Grants, Auctioneers, Estate/Letting Agents, Housing Associations.	Force owners to care for the home and bring back into use where all other methods have failed. Addresses public health and health & safety problems. Forces an owner to bring the home back into use or to force a change of ownership.
First contact often prompts owners to act quickly.	Offer of help, even if spurned, can spur owners into action.	Formal action adds cost to owner of keeping the home empty.

6. WHAT IS NEW IN THIS STRATEGY?

New Homes Bonus (NHB) Market Testing Exercise 2017-2018. NHB is paid to Councils that bring about a net increase the number of occupied dwellings in their districts each year. As the number of registered LTEs decreases, so the potential NHB reward increase, and vice versa. The NHB reward per extra occupied dwelling was around £8,000 and though now reduced to £1,800, it remains an incentive to keep Council Tax data as accurate as possible. Inaccuracy creeps in because owners do not notify the Council when their homes are reoccupied.

The annual Council Tax Base 'data cleansing' exercise involves checking that all homes registered as LTE are in fact empty. Councils use a range of methods to do this. Throughout August and September, the Council contact over 700 owners to check if the empty home is still actually empty. The Council conducts tracing and follow up visits for those that do not reply and correct records accordingly.

In 2017, the Council outsourced the task to a contractor to compare cost-effectiveness against the in-house method. The in-house approach cost was a third of that of the external contractor. The Council corrected/updated four times as many records than the external contractor. The in-house approach recorded accurately all intelligence gathered to help plan recovery of arrears from serial debtors and in form the basis of the empty home workload for the next year.

Empty Home Loans. The Council joined 16 local Councils in the Flexible Home Improvement Loan (FHIL) scheme in 2013. The flexibility of the scheme and low administration fees can be attractive to owners who might otherwise be averse to borrowing. The Council can lend to owners who may otherwise be unable to increase their mortgage borrowing, and for properties that a high street lender may deem to be un-mortgageable. For more information about the Empty Home Loan product, visit <http://www.fhil.org/five-year-bridging-loans/>

Guidance on Compulsory Purchase Orders and the Crichel Downs Rules. These were revised in 2018 and placed extra tests on the Council to prove that, *"the defects of the property are so serious that it adversely affects other housing accommodation to any material degree"*. Where once 'adverse impact' was a contributory factor to a CPO case, it is now so crucial that failing to provide evidence of negative impacts seriously weakens a CPO case.

Compulsory Purchase and Planning Bill 2019. In Autumn 2019, a Bill to grant Councils increased powers of CPO, and to amend compensation provision was read. The Parliamentary session ended before the bill completed its passage and will make no further progress. Political parties that are most supportive of empty homes work have expressed a wish to reintroduce the Bill.

National Planning Policy Framework 2019. An explicit link between planning policy and empty homes work was set out in the new national framework. Planning teams had formerly only considered CPOs for development and infrastructure reasons only. Planning teams must now help empty homes teams to tackle empty homes thus, *"plans and decisions should support efforts to identify and bring back into residential use empty homes and other buildings, supported by the use of compulsory purchase powers –CPO- where appropriate"*.

Joint Enforcement with the Planning Service. While Environmental Health enforcement powers tackle property hazards and risks, they are not explicitly designed to improve the visual impact of derelict property on an area. Section 215 notices under the Town and Country Planning Act 1990 are used force the owner to improve the look of land or property. It is a highly effective tool for some empty homes¹³. It is hoped that the empty homes ambitions stated in the National Planning Framework will lead to effective joint enforcement.

Empty building risk reduction with Royal Berkshire Fire and Rescue Service (RBFRS). The services share details of homes that pose danger to fire crews. Homes under scrutiny can be hoarded, derelict or open to squatters. In 2020, joint-work has extended to alerting each other about high-risk empty commercial premises, especially pubs. We then combine efforts to persuade owners to make their empty premises secure and risk free, then bring them back into use.

¹³ Town and Country Planning Act 1990 Section 215: best practice guidance. <https://www.gov.uk/government/publications/town-and-country-planning-act-1990-section-215-best-practice-guidance>

The Long Empty Home Premium Council Tax charge was raised again to dissuade owners from doing nothing with their spare homes. Homes that have been empty for two years or longer are charged double Council Tax. From April 2020, homes empty for five years will be charged treble Council Tax. From April 2021, ten-year empties will be charged four times the standard charge.

Homes left empty following the death of the owner, or “Class F” empty homes. We are expanding our project by trying to help executors speed up the sale of properties within Estates. This applies to “Class F” homes where the former owner died intestate or if the Executors do not know what to do with the empty home. As part of this workstream, we are investigating whether the Council has a role in assisting Executors of Estates that comprise a retirement leasehold flat.

The Public Sector Equality Duty. Powers of last resort, such as CPO, have significant human rights considerations. The protected characteristics in the Equality Act 2010 duty are now included in the decision-making process that precedes the use of CPO and other enforcement powers.

ServiceMaster Clean. In 2017, the Council let a five-year contract for cleaning void Council-owned homes to ServiceMaster Clean. The contractor also provides services to Environmental Health for empty homes.

Adult Social Care Debt Group. Empty homes input used to be requested by Adult Social Care and the Financial Assessment and Benefits Team on an ad hoc basis. The ASC Debt Group was set up in 2018 to improve recovery of aged care fee charges and to introduce processes that would ensure the total debt carried was kept at an acceptably low level. The empty homes officer attends and takes direct referrals from the group. As an example of the work, in one meeting in 2019, the empty homes officer reported back on the sale of three long term empty homes that he had been given the year before. All resulted in reassessment of finances of social care clients so that they all became self-funders. At the same meeting, the empty homes officer took on another three debt cases involving empty homes. The combined debt from these three cases exceeds £200,000.

RBC Commercial Services. The Council is investigating the services that could be offered by our Commercial Services to owners. The services would be offered directly to owners and may be included in tenders for works being carried out under enforcement notices.

7. EMPTY HOMES WORK PLANNING

“While the number of empty properties throughout the country is on the rise, the misconception persists that local authorities are doing nothing to bring them back into use. But nothing could be further from the truth”.

Royal Institute of Chartered Surveyors 2018¹⁴

OVERALL TARGET – The Council exceeded its goal of bringing at least twenty High Priority LTEs back into use per year through significant service involvement. In this strategy the target is now thirty High Priority LTEs back in use per year.

MONITORING. Monitoring is based on the Empty Homes Network’s “Guidelines for Monitoring Empty Homes Interventions”. The Council record eligible homes returned to use as a result of Council action, including advice, financial assistance, enforcement action, help with VAT Relief claims, and leasing arrangements. Where cause and effect are harder to prove, case notes may show efforts that, on balance of probability, helped to return the home to use.

¹⁴ “Empty Homes in the UK, the true picture”. RICS. 2018

<https://www.rics.org/uk/news-insight/future-of-surveying/sustainability/empty-homes-the-true-picture/>

PERFORMANCE REPORTING. Performance is reported in the Housing Strategy Statistical Appendix and the Climate Change Action Plan. Since 2010, empty homes figures have been drawn from the Council Tax Base Form to calculate the value of New Homes Bonus the Council would receive.

Table 6. EMPTY HOMES SCHEDULE 2020/26			
ACTION	WHEN	WHO	IMPACT
30 high priority empty homes returned to use	30 p/a	Empty Homes Officer (EHO)	1/4ly performance reports
Respond to empty home complaints and improve customer service and treat accordingly	Year round	EHO	Customer satisfaction. Council reputation
Take enforcement action to improve homes and share outcomes with stakeholders	Year round	EHO	Property improved. Reinforces joint-working
Cleansing of Council Tax LTE data for annual Council Taxbase & New Homes Bonus.	Autumn annual	EHO, Corporate Investigations, Council Tax	Maximises New Homes Bonus income. Provides next year's workload info
Assist with difficult Council Tax arrears relating to empty homes	Year round	EH & Council Tax Recovery	Helps secure the economic success of the Council
Assist with recovery of Adult Social Care debts	Year round	Social Care (FAB Team & Finance)& EHO	Securing the Council's finances. Solves complex Probate for Executors
Review Delivery & Communications Plan	1/4ly	EHO	Delivery Plan matches Corporate Plan and service priorities.
Deliver Home Improvement Loans and Empty Home Grants	Year round	Private Sector Housing Team	30 empty homes leased to RSLs and let as affordable housing

8. COUNCIL RESOURCES FOR THE EMPTY HOMES STRATEGY

There is no statutory duty to have an Empty Homes Strategy or employ an empty homes officer. The Council has recognised since 2008 that local empty homes are problematic enough to warrant employing a part-time empty homes officer. The arrival of the New Homes Bonus regime in 2011 added a financial value to empty homes work.

The work is labour-intensive, and requires consistent and persistent efforts to engage owners and coordinate input from other Council teams. Table 7 below sets out the different Council services, external agencies and local professions that are commonly involved in each phase of work.

INVESTIGATION	NEGOTIATION/ASSI STANCE	ENFORCEMENT
COUNCIL SERVICES INVOLVED		

<p>Local Tax Recovery Fraud Investigation Planning Adult Social Care & CMHT Registrar & Coroner Press Office StreetCare ASB Team Refuse Service Highways Social Care - Finance</p>	<p>Local Tax Recovery Fraud Investigation Planning Joint Legal Adult Social Care & CMHT Registrar & Coroner Press Office StreetCare Anti-Social Behaviour Commercial Services Highways</p>	<p>Local Tax Recovery Legal Services Planning Enforcement Building Control Press Office StreetCare Joint Legal & Legal Services Property Maintenance Valuations Finance-Debt Recovery Approved Financial Investigators</p>
EXTERNAL AGENCIES & PROFESSIONS INVOLVED		
<p>Police; Insolvency Service; Fire Service; Other Local Authorities; Treasury Solicitor; Local Newspapers; Tracing Agents; Local People; Health Services; Prison Service; Land Registry.</p>	<p>Housing Associations; Estate Agents; Auctioneers; Local Architects, Agents & Builders; Solicitors; Independent Financial Advisers; Police; Insolvency Service.</p>	<p>Police; Solicitors; Trustees in Bankruptcy; Law of Property Act Receivers;</p>

9. HOW HAVE WE DONE? WHAT HAS WORKED WELL? WHAT HAVE PEOPLE SAID?

“The service I was offered by the officer was exemplary ... was so much help to me, mentally and practically. By talking through with me and initiating the process to enable the house to be sold, he gave me the confidence to go ahead so that the property can once again become a home” Owner of a Caversham ward property, empty for 6 years.

Only those empty homes that have required a significant input to broker change are counted towards the annual target. There are many other homes that have come back into use through lesser involvement such as mail-outs or giving one-off advice. It is all about helping people achieve what they can already do while coaching them to learn to do something they thought they could not do.

“...very helpful and pointed me in the right direction, arranged an environments agency visit and was proactive keeping me up to date as to the steps”. Neighbour of Minster ward home, empty 3 years

The most common outcome has been for the owner to decide to sell their spare home. From 2008 to 2014, we returned only 77 high priority LTE's back into use and reduced the amenity impact of a further 52. Since 2014, we have brought back into use 168 high priority LTEs. With conversions and redevelopment, these 168 homes provided 205 units of accommodation. By year, the figures were 38 in 2014/15, 32 in 2015/16,

40 in 2016/17, 29 in 2017/18 and 24 in 2018/19. Most owners needed only some advice and guidance to act, while 18 required some form of formal action or enforcement to persuade them to act.

"...efficient and professional ... was always available for a discussion and most importantly, interested in assisting us in returning an empty home back to a liveable proposition". Owner of Mapledurham ward home, empty for 12 years.

The Council now aim to bring back into use at least 30 high priority problem empty homes per year.

"I can't begin to praise enough the sterling work the Empty Homes Officer did in helping me. My home was out of control and like an anvil around my neck that was preventing me from leading a normal life". – Absentee owner/occupier of a Battle ward home, empty 2 years.

It continues to prove difficult to generate homes for affordable rent because of the shortage of funding and willing partners in the social housing sector. The Council encourages owners to consider using the Council's Rent Guarantee Scheme to help meet local housing need.

Empty homes outcomes are most dependent on a good working relationship with Council Tax teams. The Council's good practice was highlighted by Shelter Scotland in 2010 and still stands:

In Reading, the empty homes officer has developed a give-and-take relationship with his finance department. In exchange for interrogations of the council tax data on his behalf, council tax staff receive information from him about homes where council tax liability has changed so that they can update their records. His work to identify the location of the owner for the purposes of bringing the home back into use is then able to be used by council tax staff to pursue debt recovery. "Guide to Data Collection" Shelter Scotland 2010

The relationship with Council Tax has many strings. Council Tax provide access to data as authorised to the empty homes officer, who in turn updates records throughout the year. Council Tax authorised the empty homes officer to gather Council Tax-related information for them.

The in-house approach to the NHB data cleansing exercise is cost-effective and thorough because of sound joint-planning and information-sharing. When tracing uncontactable owners, each service uses different methods. When one service fails to locate and contact an owner, they are the other to try it their way. Some owners of empty homes are serial Council Tax debtors. As part of normal case-work, we aim to bring the empty home back into use and recover all outstanding debts owed to the Council. Empty homes work also unearths and refers suspected fraud and benefits overpayments to the Corporate Investigations Team.

"Colleagues told me that you also actively collected quite a lot of difficult to collect council tax from empty property owners (like more than you earn) ..." Reading BC Head of Finance

"Our bailiffs had struggled to locate an owner of 3 empty homes who owed us £10,000 in Council Tax arrears at three properties. We asked Empty Homes' to find him and use empty homes powers to get the debt paid. It took him just three weeks to trace, contact and persuade the debtor to visit our offices to pay off the arrears in full". RBC Revenues & Benefits Team

Successful debt recovery for and with the Council Tax service also goes on with Adult Social Care. There are a few householders who accrue social care debts that are not secured against the property. If these people move into care and then die, there may sometimes be an empty home left that next of kin struggle to move on. The remaining care fee debt is an estate liability. Empty homes work helps families work through Probate, sell the property and settle the social care charge. As a Unitary Authority, Social Services work closely and successfully with Legal Services and Adult Social Care to use the empty homes approach to unravel complex estates and cases.

“In one case, our empty homes officer helped us to recover £100,000 of aged care fees. We had tried to persuade the client’s Attorney to settle the bill from the proceeds of the sale of the person’s former home, but she refused to work with our team or our lawyers. The empty homes officer opened up good dialogue with the Attorney and helped her through the process of seeking Probate, selling the home and settling Estate liabilities”. RBC Financial Assessment & Benefits Team

The now defunct Homes and Communities Agency set out 11 key facets of a successful empty homes strategy below.

1. detailed assessment of patterns of vacancy to inform the right responses
2. *securing the necessary capital & revenue budgets*
3. negotiating with nervous, confused or hostile owners to encourage them to act
4. *establishing mechanisms to secure homes for people in housing need*
5. identifying, engaging & incentivising partnerships to procure, refurbish & manage homes
6. devising & marketing new grant or loan schemes
7. building internal partnerships to ensure a proper joined-up response
8. monitoring results & keeping the public informed of what is going on
9. providing advice, accurate & extensive information and sign-posting for owners
10. tracing owners & helping resolve ownership issues
11. mastering the demanding legal procedures required for enforcement where other avenues to address nuisance empties have been exhausted

Themes in italics are those where we continue our improvement efforts the most. Performance against these themes has changed since the last strategy, mainly because successive Governments’ interest in and contribution to the agenda have been displaced by other agendas. The Council believes that aiming to achieve against all the themes remains the mark of a sound strategy and service approach.

10. CONTACT DETAILS – WHERE TO GET ADVICE.

READING BOROUGH COUNCIL EMPTY HOMES SERVICE

0118 9373091

Reading Borough Council, Civic Centre, Bridge Street, Reading, RG1 2LU

emptyhomes@reading.gov.uk

Other sources of information include

Action on Empty Homes – an independent charity that focuses on this work area <http://www.emptyhomes.com/>

Empty Homes Network – An association of empty property practitioners <http://www.ehnetwork.org.uk/>

Self Help Housing – promoting self-help housing initiatives <http://self-help-housing.org/>



Appendix A. Empty Homes Scoring Matrix

Criteria	Classification & scores
APP EN DIX B. EM PTY HO ME S FIG URE S Property Type	Flat over commercial/Purpose built flat (5); Semi-det (10); Terraced (15); Detached (20)
Location	Prominent site/main road (10); Situated on 'Gateway', regeneration or deprivation area (20); Both (30)
Time Vacant	Less than 6 months (5); 6-12 months (10); 12-24 months (15); 24-36 months (20); 36+ months (25)
Management Standard	Securely Managed (5); Enforcement (20, +5 for each action); Poor management (20); Land Charges (20); More than one of above (50)
Owner Contact	No response (5 for each no response); No reliable address for owner (10); No firm plans for bringing the property back into use (10); No confirmed funding to bring the property back into use (10); More than one of above (35)
Potential extra dwellings	Low (5); Medium (10); High (20)

Council Tax data tells us the total number of homes that are been registered as LTE but not the total number of homes that are unoccupied. Council tax data is only as reliable as the information that the owners give the Council. Many homes are registered as empty when they are not, and many are registered as occupied when they are empty. An empty home becomes a Long Term Empty home (LTE) once it has been empty for six months or longer. The Government definition of an LTE is a “privately owned home registered with Council Tax as empty for six months or longer”. The Government counts the LTE figure of every Council when determining what amount of New Homes Bonus to award.

Table 1 below shows the numbers of registered LTEs by owner type in the last decade.

OWNED BY	Oct 2008	Nov 2012	Oct 2016	Oct 2018	Oct 2019
Individuals	295	305	416	258	292
Companies	147	82	74	114	147
Housing Assoc.	26	25	23	13	131
Public body (not RBC)	0	5	2	2	1
TOTAL	468	417	515	387	571

Tables 1 to 4. Source: RBC COUNCIL TAX

The longer a home stays empty, the more likely it is that the owner will be difficult to engage. Table 2 below shows the length of time that homes were registered as LTE in Reading in 2019. While the number of LTE homes being charged the Premium has increased, their proportion of all LTEs has reduced.

YEARS THAT HOME HAS BEEN	< 1yr	1-2 yrs	2-3 yrs	3-5 yrs	5-10 yrs	>10 yrs

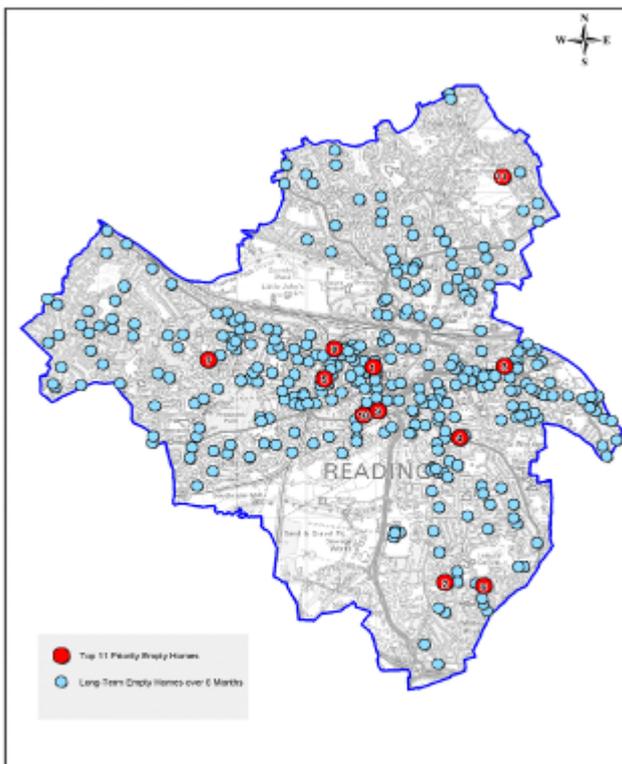
REGISTERED UNOCCUPIED						
% OF & NOS. LTE 2019	257	210	71	40	20	10
% 2019	42%	34%	12%	7%	4%	1%

Registered LTEs are our focus, but other classes of empty homes exist. Table 3 below provides an estimate of numbers of all types of empty homes (including those owned by the Council and other public bodies. Note that the Table does not include the 1,361 Second Homes registered in Reading. It is not known how many Second Homes are occupied or vacant at any one time.

Empty Home Type	Council Tax payable	Homes
Class A - Major works	Full charge	13
Short Term Empty (<6 Months)	Full Charge	772
Long Term Empty - LTE	Full charge for first two years.	466
Long Term Empty Premium - LTEP	X2 Charge if empty 2 years, Treble if empty 5 years.	112
Classes E & I – Person moved to receive care	None	64
Class F – Person has died.	None until 6 months after Probate is granted.	187
Others		95
TOTAL UNOCCUPIED* HOMES		1,711

WHERE ARE READING’S EMPTY HOMES?

The distribution of Reading registered LTEs is demonstrated in the Map and Table 4 below. Empty homes are scattered around the town as shown by Figure 1 below.



WARD	Homes	WARD	Homes
Whitley	151	Tilehurst	15
Abbey	103	Kentwood	12
Katesgrove	39	Thames	8
Minster	37	Mapled’m	6
Battle	35	Norcot	23
Southcote	28	Redlands	22
Park	27	Peppard	21
Caversham	24	Church	20

Though the distribution map is dated 2008, the pattern remains steady. Empty homes are found in all wards and their density increases in areas of highest housing density. Table 4 below shows the numbers of privately-owned Long-Term empty homes by Council ward. The figures can change significantly for various reasons. For example, LTE numbers in Norcot ward increased in 2014 as many Council-owned homes on the Dee Road Estate had been vacated prior to demolition and regeneration. A year later, a large block of NHS housing in Battle ward had the same effect. In 2019, the Council has seen unusually high numbers of LTE in Whitley and Abbey wards because of two large new build blocks of flats that had not been sold before they became LTE.

TABLE 5. REASONS FOR HOMES BECOMING LONG TERM EMPTY

“I am not being neglectful of the site but it just that it seems very difficult to make steps forward with any haste or success.”

“I have a bit of a mental block when it comes to dealing with this property. I don’t even know how to go about finding people to do the work that it needs.”

In general, homes stand empty because owners lack TIME, SKILL, WILL and/or MONEY to move the project on. Every owner has a different story. Some of the reasons for lengthy vacancies found in Reading are listed below,

- **Dilapidation.** Some homes are uninhabitable, and owners lack the money or know-how to get the home renovated. Some are empty despite there being less than £1,000 of works needed to make them habitable.
- **Unclear Ownership.** This can arise when an owner has died without a Will or where the owner (either an individual or a company) is insolvent. Mortgage fraud and money laundering also make ownership unclear.
- **Abandoned because the owner could not or did not wish to live in the home any longer.** Arising from family or relationship breakdown, financial hardship or where a couple moves into in one house but retain the other house as an empty home. Two Reading owners are known to have left bought new homes because their original homes became squalid hoards. They have then left their original homes unoccupied. One local owner kept an empty home for his cats to live in when he bought a new home.
- **Investment properties.** These arise when owners prefer not rent out the home because they wish to protect capital values and may wish to dispose of the asset quickly without having the trouble of moving tenants out. There are more investment empty homes when house prices are depressed. One local owner said he has been waiting for house prices to increase since 1991.
- **Inheritance vacancies.** Some owners did not know they had inherited a home. Others do know but live far away and the empty home remains out of sight and out of mind. One owner has bought a home for their children to use in 15 year’s time, but do not want the trouble of letting it to a tenant in the meantime.
- **Neighbour Disputes.** More than one owner has been found to leave his property empty to upset the neighbours and as a challenge to the Council and Police.
- **Empty in Memoriam.** Some owners have an understandable deep-rooted emotional attachment to the home and cannot bring themselves to do anything with it.
- **Unsold new-build homes.** Slow transaction rates have caused more homes to tip over into long-term empty.
- Homes are also empty for long periods for understandable reasons such as the occupier is in hospital, a care home or in prison. It is rarely appropriate to target these homes.

Most owners do want to get their homes back into use and need a little time, help or money to do so. However, there is always a small hard-core who do not fulfil their responsibilities as property owners and who are happy for their homes to be a menace to local people.

SUMMARY OF POWERS USED IN THE EMPTY HOMES STRATEGY.

The Councils approach is to help the owner take as much responsibility and action as they are capable of while applying a balance of enabling and enforcement that is appropriate to each case. Adult Social Care and Joint Legal services assist and advise in cases where an owner is vulnerable. For the least cooperative owners, the powers in Table 6 below are used according to the Council’s Enforcement Policy and Scheme of Delegation. Many powers allow for the Council to carry out works if an owner refuses to do so, and then to recover costs and register debts as Local Land Charges. Debt recovery powers, whether the debts arise through enforcement work or through Council Tax arrears, are highly persuasive and effective when coordinated with empty homes work.

TABLE 6. SUMMARY OF ENFORCEMENT POWERS USED IN THE EMPTY HOMES STRATEGY
PRIMARY ENFORCEMENT TOOLS. Used to gather information and to address defects, risks and hazards at an empty home.
Local Government Act 2003 - S75 allows local authorities to reduce some council tax discounts. S85 also allows disclosure of Council Tax data for the purposes of bringing long-term empty homes back into use.
Housing Act 2004 - Part 1 concerns the assessment of hazards in the home, and powers including improvement and prohibition notices and emergency actions for urgent works. S237 allows the Council to use Council Tax and Housing Benefit data when exercising functions in Parts 1 and 4 of the Act. See also Secondary Enforcement Powers below for the Empty Dwelling Management Order.
Building Act 1984 – several powers to require property owners to address problems of ruinous, dangerous or dilapidated properties.
Local Government (Miscellaneous Provisions) Act 1982 - S29 “Boarding Up Notice” gives the Council power to require owners to prevent unauthorised entry to or to prevent a home from becoming a danger to public health.
Local Government Planning and Land Act 1980 – “Public Request to Order Disposal” residents can notify the Secretary of State of unused publicly-owned land or property. Secretary of State can order the sale of the property.
Environmental Protection Act 1990 - relates to abatement of statutory nuisance, including accumulations of rubbish or dampness affecting neighbouring properties.
Town and Country Planning Act 1990 – s215 “Tidy Up Notice” requires owners to deal with unsightly land or the external appearance of a property. Also includes powers relating to compulsory purchase.
Planning (Listed Building and Conservation Areas) Act 1990 – Councils can require urgent works to be carried out to unoccupied buildings to prevent deterioration, and compulsory acquisition of listed buildings in need of repair.
Prevention of Damage by Pests Act 1949. Requires owners to eradicate and prevent vermin infestations.
Anti-Social Behaviour, Crime & Policing Act 2014. Community Protection Notices. Person’s conduct is unreasonable and is having a persistent and continuing detrimental effect on the quality of life of those in the locality.
Anti-Social Behaviour Act 2003 Parts I&II – Closure Orders for crack-dens, illegal brothels and premises with persistent disorder or nuisance. Generally used by the Police.
SECONDARY ENFORCEMENT POWERS. Powers of last resort used to change the ownership or management of an empty home where an owner proves to be wholly non-compliant with enforcement Notices and where there is no reasonable chance that the home will be brought back into use through other measures. Each power has prescribed procedures, and each requires a different level of political approval before it can be used.
Law of Property Act 1925 - allows local authorities to recover debts registered as a land charge (for example, some works carried out in default) by enforcing the sale of the property if the debt remains unpaid.
Acquisition of Land Act 1981 - (as amended by the Planning and Compulsory Purchase Act 2004) – Power for Local Authorities to make Compulsory Orders.
Housing Act 2004 - Part 4 concerns Empty Dwelling Management Orders, to allow local authorities to bring empty homes back into use while legal ownership remains with the owner.

SUMMARY OF EMPTY HOMES ASSISTANCE SCHEMES

The Council helps empty home owners in many ways, some of which are forms of financial help. The main thrust of the 'Negotiation' phase is to assist the owner with an Options Appraisal that helps them decide what to do with the empty home. The Council can provide letters of support to owners wishing to claim VAT Relief on renovations works in long term empty homes; help with finding builders, surveyors, solicitors, architects, estate agents and auctioneers.

DISCRETIONARY EMPTY HOMES GRANTS. Maximum grant is £10,000.

Description, Eligible Works and Client Group	Non-eligible Works	Summary of Conditions
<ul style="list-style-type: none"> • Home empty 6 months or more • Works - renovation, repair, energy savings e.g. heating, boilers, insulation and double glazing. • Must meet Decent Homes Standard on completion • HMO work: inc. fire precautions, means of escape and the provision of adequate facilities and amenities for the number of people and households. 	<ul style="list-style-type: none"> • Works covered by insurance. Decorating. Replacing or Upgrading non defective installations. Repairs to rectify poor DIY. Servicing of boilers and other installations and equipment. • HMO: Non-structural works required under S372 of the Housing Act 1985, Management Regulations for e.g. cleaning communal areas, rubbish removal, decoration, servicing of gas or electrical installations 	<ul style="list-style-type: none"> • Home is empty for more than 6 months • No grant if any form of statutory notice has been served. • A 5-year charge is registered against the property. Breach of grant conditions will mean full repayment of the grant • Must rent the home for 5 years through the Council's Housing Register • Not open to Hg Associations

FLEXIBLE HOME IMPROVEMENT LOAN SCHEME

The loan must not exceed the lesser of the cost of the works or two-thirds of the value of the property. Further advances or stage payments maybe possible if the value of the property increases as the work progresses.

Description, Eligible Works and Client Group	Non-eligible Works	Summary of Conditions
<ul style="list-style-type: none"> • 5-yr fixed term loan owners to bring the home back into use. • Interest rate from 5 to 7%. • Property must have enough equity to support the loan. • Can supplement EH Grant. • Eligible works as per Empty Homes Grant. 	<p>Non-eligible works as per Empty Homes Grant</p>	<ul style="list-style-type: none"> • Loan secured as a charge on the property. • Loan is repaid in full at end of loan term by regular or periodic repayments, re-mortgaging or selling the home. Loan must be repaid if the property is sold