

- Encourage local authorities to establish and maintain a register of empty properties with information on location, ownership and length of vacancy.
- Work in partnership with local authorities and community groups to advise property owners of the financial and other incentives available to help keep their property occupied. For example, publicity campaigns to refute misconceptions regarding letting of property and promoting the advantages and support available.
- In so far as it can be reconciled with legal concerns, provide the greatest possible access to empty property information. The information that local authorities already collect, such as house condition surveys and council tax information could combine with up-to-date input from the general public using well-publicised telephone hotlines and web-based systems. A good example of information sharing can be found at [www.empro.co.uk](http://www.empro.co.uk)
- Registered social landlords should employ people in the local community wherever possible to carry out work on empty properties.

## FURTHER INFORMATION

Full details of all recommendations distilled from the three-day consultation are contained within a comprehensive report entitled Recycling the City – Unlocking the Potential of Empty Properties.

This is the second in a series of three consultations organised by the Building and Social Housing Foundation, which look at how to better use existing assets to provide affordable homes in vibrant and healthy communities.

Please contact us if you would like to receive a free copy of the report, which is also available for downloading on our website at [www.bshf.org](http://www.bshf.org)

Building and Social Housing Foundation  
Memorial Square  
Coalville  
Leicestershire  
LE67 3TU  
United Kingdom

Tel +44 (0)1530 510444  
Fax +44 (0)1530 510332  
Email [bshf@bshf.org](mailto:bshf@bshf.org)  
Web [www.bshf.org](http://www.bshf.org)

## A BRIEFING FOR REGISTERED SOCIAL LANDLORDS

### KEY FACTS

- There are 718,000 empty homes in England.
- 310,000 homes have been empty for more than six months, 40,000 of which are in London.
- The number of long-term empty homes continues to increase.
- One third of local authorities in England do not have an empty property strategy.
- Under-utilised commercial property could provide an estimated 420,000 extra homes.
- The Barker Report recommends delivery of an additional 23,000 affordable homes each year to meet future demand and address the backlog of housing demand.
- There are at least 95,000 families suffering the adverse effects of living in temporary accommodation.
- A recent report by Crisis estimates that there are 400,000 households in a situation of hidden homelessness.

**“Local authorities must be prepared to take over the ownership of empty properties if it means giving local people a roof over their heads.”**

**The Rt. Hon. John Prescott MP**

Deputy Prime Minister

Guardian Urban Regeneration Conference April 2003

# RECYCLING THE CITY

UNLOCKING THE POTENTIAL OF EMPTY PROPERTIES

## CONSULTATION AT ST GEORGE'S HOUSE, WINDSOR CASTLE

RSLs have well established experience in housing management and close ties to local communities making them a crucial link in the chain for recycling empty property. RSLs need more support as intermediaries to help owners and local communities maximise the potential of empty properties.

In June 2004, the Building and Social Housing Foundation invited leading experts to a three-day consultation at St George's House in Windsor Castle. The participants focused on different strategies to unlock the potential of empty properties to provide extra homes in areas of housing shortage.

All the possible solutions and information derived from the consultation were refined in a comprehensive report. The key recommendations for registered social landlords are summarised here for quick reference.

## IN BRIEF

Four broad areas of action were identified, with detailed recommendations provided for each:

- Establishing national and local strategic frameworks to address empty property issues.
- Making best use of the legal and financial tools currently available and exploring new approaches when appropriate.
- Providing information and raising awareness on a wide range of concerns relating to empty properties.
- Engaging local communities in the process of identifying, renovating and letting empty properties

## WHY ARE PROPERTIES EMPTY?

- Inability to pay the cost of renovation
- Lack of public awareness of assistance available
- Speculative investment
- Unresolved ownership
- Shifting institutional needs
- A distraction from core business
- Owners' misgivings regarding tenancy management

Owners of dilapidated properties may have limited finances and are unaware of the financial assistance available for renovation.

Owners may retain a property as an investment and wish to sell it at the market peak, without the hindrance of waiting for tenants to vacate the property.

Many owners have misgivings about letting their property due to the constraints they think it imposes and the demands of managing tenants.

Commercial owners cannot afford to be distracted from their core business and so choose to leave property empty, such as accommodation above shops.

## THE ADVANTAGES OF RECYCLING EMPTY PROPERTIES

Many local authorities offer renovation grants which enable owners to restore their property to a habitable standard. The renovation grant is subject to the owner leasing the property to an RSL for an agreed period. The property is used to meet local housing need and the RSL manages and maintains the property on behalf of the owner for the duration of the lease.

## REGISTERED SOCIAL LANDLORDS

- Increased quality and choice of housing to meet local demand
- Renovation grant is provided by the local authority or costs can be recovered from future rent during the lease period.
- The ability to address homelessness without Social Housing Grant (SHG)
- Operating without SHG eliminates the constraints of Scheme Development Standards
- Increased flexibility in managing allocations
- An opportunity to draw the local authority's attention to the potential of empty properties
- Reduces anti-social behaviour experienced by residents of surrounding properties

## COMMUNITY REGENERATION

- A catalyst for wider regeneration through property market confidence
- Addresses the de-valuing of neighbouring properties in communities blighted by empty properties
- Reduction in crime and nuisance
- Increased availability of housing stock
- Reinforcement of community partnerships

## PROPERTY OWNERS

- Guaranteed rental income throughout the lease period
- No void or bad debts
- Increased capital value of residential property through access to grant aid for renovation
- Property maintained in good condition with a dedicated repairs service
- Reduced risk of vandalism
- A professional property management service
- Guaranteed vacant possession
- Property that meets statutory safety regulations

## EMPTY PROPERTIES ARE A WASTED ASSET

- Residential property
- Office space
- Institutional and commercial property
- Space above shops

Housing providers face increasing pressures to add value to maximise every pound of grant awarded for new homes whilst competing with private sector developers for Social Housing Grant.

In 2003-2004, the number of new dwelling units completed in England was 143,000.

The number of completions fails to compensate for the rate of new household formation.

In this climate empty properties are a wasted asset that could contribute to the provision of housing in areas of high demand. It is essential to integrate the use of empty properties as part of a holistic approach to housing and the community.

## RECOMMENDATIONS FOR REGISTERED SOCIAL LANDLORDS

Recycling the city – Unlocking the Potential of Empty Properties is the report that was produced as a result of the consultation at St George's House. The recommendations for action set out below are directed at those within social housing organisations with responsibility for developing and reviewing housing policy.

## ESTABLISHING LOCAL STRATEGIC FRAMEWORKS

- Include the re-use of empty property as an integral part of business plans to increase the supply of affordable housing and regenerate urban neighbourhoods.
- Form partnerships with local authorities and agree clear targets and timetables for recycling existing empty properties.
- Base the development of an empty property strategy upon genuine consultation with stakeholders in the community and have a holistic approach which considers the overall regeneration of neighbourhoods and communities.
- Public sector landlords should address the fact that 18 per cent of empty property in the UK is in their ownership.

## FINANCIAL AND LEGAL TOOLS

- Work with local authority Empty Property Officers to develop a one-stop-shop for the public, providing easy to use packages to bring empty properties back into use.
- Persuade local authorities to provide appropriate financial support to sustain efficient empty property action including fit for purpose renovation grants for property owners.
- Influence central government to extend the use financial resources raised under the S.106 planning gain for renovation of empty properties in addition to new construction.

## PROVIDING INFORMATION AND RAISING AWARENESS

- Form innovative partnerships with community groups and local authorities to provide information for owners, developers, managing agents and others involved in regeneration and renovation.
- Explore ways in which registered social landlords can work with local authorities and other agencies to restore and manage empty properties to address local housing demand.