

## Empty Homes Value Tool

<u>Contents</u>	<u>Page</u>
1. Introduction	2
2. Council Tax	3-8
3. Costs to the Council	9-12
4. Impact on the Community	13-16
5. Environmental Benefits	17
Round-up	18
References	19

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## **1: Introduction**

The Empty Homes Value Tool is designed to help officers who work in empty homes demonstrate the value of the work that they do beyond the additional units of housing secured. It is primarily intended as separate sections of information which can be copied and used in things like reports, strategies etc.

Whilst most empty homes projects are excellent at reporting the numbers of homes brought back into use, a number of people have commented over the years that they would like to see more evidence of the impact that empty homes can have on the wider community, and the benefit that tackling those empty homes could bring. So we have compiled this list of different measures that cover the most commonly asked questions about empty homes work.

Some of the values can be represented by a solid value, for instance the cost of council tax arrears can be expressed in monetary terms. However some of the values that we know about anecdotally, such as the effect on neighbourhood pride, are much more difficult to measure and whilst we have some suggestions for how this can be started, we would welcome any suggestions for how this can be better done.

### **How to use this**

To use this tool, find the section(s) that applies to you, read through it carefully and take whichever formula/statistic you require and update it using your own figures. Each section will explain at the start what you should expect to gain from it and what you should be able to do by the end of it.

Throughout the document, we will refer to our fictional example address, 29 Acacia Road, to see how in practice some of the lessons learned could be applied to real properties.



## 2. Council Tax

By the end of the section you will be able to calculate the amount of council tax revenue generated by;

- Bringing homes back into use
- Data cleansing (i.e. updating council tax records correctly)
- Dealing with large arrears cases

### Who might benefit from this section

Mostly Empty Homes Officers and anybody else who deals with empty homes on a day-to-day basis, and wishes to demonstrate the added revenue that empty homes work can bring.

The first part of this section mainly deals with estimating the revenue generated and as such, will be most useful to users who don't have full access to council tax information. The second part is more useful to users who do have full access. For those users, the best advice is always to make use of that data where possible; the more accurate the data, the more robust your reporting becomes and the risk of your information being challenged (however rare this might be) is decreased.

### Revenue

- Firstly, there is the simple fact that many empty homes are being charged a discounted rate of council tax for the first year (between 50% and 90% of the full charge)
- So if those properties are brought back into use quicker, then the owner is paying full council tax quicker, and therefore the council gets more money.
- On a small scale this can be considered fairly minor but bring enough properties back into use (let's say 100 per year) and it really does start to add up. 100 properties x £100 = £10,000, after all.

There are a number of ways to calculate council tax revenue gained from the number of empty homes brought back into use in your area. One of the most popular is to look up the average c/tax value in whichever area it concerns (let's say, in this instance, band B), and then multiply it by the number of empty homes brought back into use in that area. So here's how that formula would look;

*Average c/tax value for the area, then times the number of empty homes brought back into use.*

Then apply this value to each property brought back into use. This will probably give you a figure of something like £1000-£1200 per empty brought back into use. You should have workings out that look something like this;

Type of value	Number	Value per property	Total amount
Empty homes brought back into use	32	£1054	£33,728

So that was;

*32 (properties) X 1054 (average council tax value) = £33,728*



## Arrears

Evidence suggests that a large number of empty home owners are in arrears with the council tax payments on their empty property, and that this number grows proportionally throughout the year. The number, as a percentage of owners overall, is often higher than it is for owner/occupiers. The reasons for this are many; the owner may not realise they are being charged for the empty home, they may not be able to afford to pay and some disagree with the principle that they should be paying. There are many other, more personalised reasons besides. Clearly, however, the more of these houses that are brought back into use, the better for the council. Not only do new owners/tenants tend to pay their council tax more promptly, but the old owner will often clear their arrears once their house is sold or let.

### If you don't have full access...

This could be captured by working out roughly how many owners that you have dealt with were in arrears, and then adding a certain amount onto your total to represent this fact. For instance, in one local authority half of all empty homes c/tax account were in arrears by October; the average amount, across all these owners was only around £127, but spread across 200 owners, that equates to £25,400. Again, even if only a tenth of that is retrieved by an EHO that still adds a sizeable amount to the total. This depends on being able to access that information or at least have someone else who is able to share that information with you. So the arrears formula might be;

*Average arrears for empty home owners (£127) x Number of owners in arrears (200) = £25,400*  
*Number of those properties brought back into use; 20 = £2,540*

### If you do have full access...

As above, it is always recommended that you use the data if you have it available. So, with the use of our fictional address, whose owner just happens to be in a fair amount of arrears, our new table might look like this;

Type of value	Number	Value per property	Total amount
Empty homes brought back into use	32	£1054	£33,728
Arrears from 29 Acacia Road	1	£11,800	£11,800
		<b>Total</b>	<b>£45,528</b>

Although this may seem like a high amount of arrears, examples we have been given from Empty Homes Officers suggest that this is not an unreasonable amount of arrears for a property which has been empty for 15-20yrs. As you can see, it only takes a few of these properties with very high arrears to generate the same amount of debt as a dozens of empty homes that have only been empty for 6 months to a year.



Whether you have full access or not, always check the arrears of properties that have been empty for a long time (i.e. over 5 years) for large arrears. For those who don't have access, this would really just be a question of asking your colleagues for the arrears on a select few cases and shouldn't be too troublesome; but of course, if providing such information is difficult for them, that may help you argue for full access.

### **Data Cleansing**

Data cleansing is normally defined as the act of going through a data source to verify it's accuracy and correct (or 'cleanse') any mistakes, which in this case refers to council tax information. This has the benefit of more accurate figures being reported, and potentially better rates of collection. An Empty Homes Officer normally carries out data cleansing as a result of correspondence with owners. This usually involves a transition from being classified as empty to being correctly updated to now being back into use, so may involve the owner now being charged 100% council tax instead of the discounted rate of 90%. This may seem like it would not be a significant amount of money, and indeed often it only represents a difference of perhaps £100 per year extra charge. However, if you do this for 100 owners;

*Extra charge from 90% to 100% = £100 x 100 owners = £10,000*

And so on, so for 400 cases which have been data cleansed in a year, this could reasonably be assumed to have raised roughly £40,000 for the council.

Here's how the formulae for all the major reductions might look;

*Average c/tax value for the area, then times the number of properties reclassified from exempt to full charge.*

*Average c/tax value for the area divided by 2, then times the number of properties reclassified from 50% charge to full charge.*

*Average c/tax value for the area divided by 10, then times the number of properties reclassified from 90% charge to full charge.*

So a completed table, including both data cleansing and homes brought back into use, might look like this;

<b>Type of value</b>	<b>Number</b>	<b>Value per property</b>	<b>Total amount</b>
Empty homes brought back into use	10	£1054	£10,540
Correction from 0% to 100%	10	£1054	£10,540
Correction from 50% to 100%	10	£527	£5,270
Correction from 90% to 100%	100	£105.40	£10,540



Arrears from 29 Acacia Road	1	£11,800	£11,800
		<b>Total</b>	<b>£48,690</b>

### Example

*In one local authority, a large-scale property owner had fallen into major arrears with seven separate properties, and the council tax department were struggling to make contact with the owner, let alone get them to pay the arrears. An Empty Homes officer looked at the case and fairly quickly discovered that the previous owner had gone bankrupt and the houses had been sold to a new buyer 8 months before, who had failed to register the houses as having changed hands. Once the billing information had been updated the new owner was charged the correct amount and the charge was backdated, meaning a recovery of close to £10,000 for the council. All courtesy of a little bit of investigation.*

### **Working with the increased charge**

A number of local authorities in Scotland are now charging up to a maximum of 200% council tax for owners of homes that have been empty for a certain length of time. See full information from the Scottish Government [here](#).

*The power for local authorities to charge extra for empty homes was granted under the Local Government Finance (Unoccupied Properties etc.) (Scotland) Act 2011. This extra charge only applies after the first year of the property being empty, and is discretionary, meaning the council could charge everyone who is eligible, or nobody.*

This charge is officially called the Variation Charge for Unoccupied Properties. It is often shortened to 'Variation Charge' or just 'Council Tax Increase', which is how we will be referring to it.

Some local authorities choose to implement the Council Tax increase as a blanket charge, which means that all owners who are eligible for the charge are charged, with no exceptions. This can be seen as rigid, and has in the past generated negative publicity for a small number of councils. On the other hand offering discounts to owners who work with the council is seen as much fairer, but may be seen as time-consuming, as it would involve potentially lots of extra paperwork and maybe even investigations too, to decide who should be exempt from the charge. For councils who already have someone working on empty homes, there is a ready-made solution. This has many advantages;

- It sends the owner in the direction of an expert in empty homes, who can give them advice and information to help them bring their property back into use, which they may not have done if the owner wasn't charged the increased amount
- It can transfer some of the extra workload involved in the increase away from council tax departments and towards Empty Homes Officers, who are usually happy to see an increase in their case-load if it means making contact with empty home owners who previously hadn't replied to mailouts.



- In some cases, Empty Homes Officers can set the owner deadlines for certain tasks to be completed, for instance renovation work or a discussion with a selling agent about better ways to sell the property, in order to receive discretionary discounts from the charge. If the owner fails to meet these deadlines, the full charge would be re-imposed.

#### *Example*

*In one Scottish Local Authority, a number of owners were appealing the increased charge because they claimed they were trying to renovate their properties, and could not now afford to do so due to the extra amount of council tax they were being charged. So the council agreed that if the owners would agree to do the work necessary to bring the home back into use, they would decrease the charge from 200% to 90%, in effect giving the owner a 110% discount while the work was progressing.*

*The catch was that the owner had to work with the council's Empty Homes Officers, who would come out and inspect the property, taking photos and making notes of what work needed to be done. After an initial visit the Empty Homes Officers would report back to council tax with their recommendation and if it was decided that the owner should now receive a discount, they would be subject to planned visits every 6-8 weeks to ensure they were on track with repairs. If they dropped the ball and stopped renovating the house, without good reason, they were put back on the 200% charge.*

Quantifying the amount of revenue raised for working with owners subject to the 200% is not as easy as it is for standard homes brought back into use or data cleansing. This is because of course some owners will pay the 200% charge, and then when the property is brought back into use, the charge will drop down to 100%, therefore a property brought back into use may actually be seen as costing the council direct income. As above, there will also be some who don't pay, who pay intermittently or who just pay the 100% charge out of ideological reasons. Better to just collect the data for the owners that the EHO is working with and who are not paying or are in arrears, to demonstrate what the council has gained by employing an EHO.

It should be pointed out that the aim of this policy is to reduce the number of empty homes, not to increase council tax revenue to for councils. The Scottish government issued supplementary guidance to this effect on 4<sup>th</sup> June 2015, find that [here](#). If you are an officer working with the increased charge, and are lobbying your council to introduce a more flexible approach to the charge, this link may be of use. The following quote is taken directly from the guidance;

*"The power is intended as an additional tool to help local authorities encourage owners to bring empty properties back into use, both to increase the supply of housing for those who need homes and to reduce the blight on communities caused by houses being left empty and allowed to fall into disrepair."*

Due to the fact that the number of cases where the 200% charge is involved may be quite low, and also because in some instances where the owner is given a reduction, they may actually end up paying less council tax, it is very difficult to work out an exact formula or calculation you can use to generate a value for that work. It would be advisable, instead, to find out the amount of arrears



generated by some of the cases where the owner has struggled to pay the charge, and use that instead. It might look like this, for 2 properties;

*Property 1 arrears: £624*

*Property 2 arrears: £2,896*

*Average = £624 + £2,896 (£3,520) / 2 = £1,760*

### **Summary**

So to recap, the basic formula for working out c/tax revenue generated is;

*Average c/tax value for the area divided by 2, then times the number of empty homes brought back into use.*

Your final table could look like this;

<b>Type of value</b>	<b>Number</b>	<b>Value per property</b>	<b>Total amount</b>
Empty homes brought back into use	10	£1054	£10,540
Correction from 0% to 100%	10	£1054	£10,540
Correction from 50% to 100%	10	£527	£5,270
Correction from 90% to 100%	100	£105.40	£10,540
Arrears from 29 Acacia Road	1	£11,800	£11,800
Amount gained by EHO working on 200% c/tax	2	£1,760	£3,520
		<b>Total</b>	<b>£52,210</b>

In this example, the Empty Homes Officer has dealt with 130 cases, the majority of which have been data cleansing cases which normally require much less work than the cases where the EHO has to work with the owner to bring the property back into use. Yet in our example table the EHO has generated an amount of revenue that in many councils would be enough to cover the salary and overhead costs of an Empty Homes Officer for a year!



### **3: Costs to the Council**

By the end of this section, you should have a greater understanding of;

- The direct costs of empty homes for a council
- The indirect costs to the council
- The best ways of quantifying these figures

#### **Who might benefit from this section**

Again, Empty Homes Officers looking to evidence the value of the work they do in terms of reducing the cost to the council of having to deal with empty homes, should find this section most useful.

Other departments that deal directly with the physical side of empty homes (such as Environmental Health, Building Control etc.) may find this section useful too.

#### **Direct Costs**

It is worth pointing out at the start of this section that the direct costs to the council will vary greatly from one to another. As with any such information, we would always encourage you to find out this information accurately if it has been carried out in your council; the figures in this section are more generalised and are really intended more for those starting out on empty homes work, but there is also a demonstration of how to use actual figures, if you can get hold of them.

The main direct costs can be broadly summarised below;

- Securing the property, where the owner has left it unsecured
- Cost of remedial repair work, where the property threatens others round about it
- Cost of garden maintenance, where it is deemed necessary/desirable
- Enforcement action, such as Compulsory Purchase Order
- Staff time doing the above work
- Staff time dealing with complaints and investigating the owner

#### **Responsive callouts**

The cost of securing a home (i.e. boarding it up) is estimated at between £500 and £2500, depending on the size of the property and how much of it needs secured. For instance, you often see lower windows boarded up but those on the first floor upwards are left locked but without a board, as they can't be reached by a casual intruder. This work is usually carried out by the council on the instruction of the police, and then recharged to the owner, but if the owner is not in a position to pay, then that cost falls to the public purse.

The cost of remedial repair work is likely to vary widely, as there are a vast number of different works that might be required. These could be;

- Damp work, if this is affecting an adjoining property
- Repairing a roof, for the same reason
- Adjusting tiles and securing windows etc., if there is a risk of them falling onto people below
- Repairing fire damage or theft
- Major structural repairs, if there is a risk of the property collapsing



And, in the worst case scenario;

- Demolition

The cost of demolishing an average sized family home is estimated at between £8,000 and £13,000. Again, this cost should be borne by the owner but they are not always able to pay, if so the cost would be to the local authority until that money is recouped.

In terms of getting exact amounts for the other types of work listed above, it would be worth checking with your Environmental Health Department for help. Where an empty home has had work done, the owner will usually have been billed for this so it might also be worth investigating that and seeing if the costs can be added together with other costs listed here to present a case for enforcement action to be taken.

### **Staff Time**

Staff time can also be difficult to work out if a case has been running for a long time prior to an Empty Homes Officer coming into post. If the property has been empty for more than five years then this is very likely to be the case;

#### *Example*

*In one notorious case, a property had lain empty since its previous owner who had fallen behind with their mortgage payments had set the house on fire in 1999, before fleeing. The bank repossessed the property and auctioned it off. A new owner bought the property in 2000 without viewing it, and did intend to renovate it, but other matters intervened and he was unable to complete any work on the property. Its condition gradually deteriorated and it attracted looters, vandals and ultimately arsonists. When an Empty Homes Officer came into post in 2012, she did some research and came up with an estimation that roughly 100hrs per year of staff time had been spent dealing with this property since it became empty.*

So how might we calculate the cost of staff time for a case such as the one given in the example above? Well, a formula for that might look like this;

*Length of time empty x Average Hrs of staff time = Total Hours, x Average public sector salary (£16.28 per hour currently, according to the Office for National Statistics (see [here](#)))*

For our fictional example address, the formula above could be applied to create a table like the one below;

Address	Length of time empty	Hours of staff time per year (ave)	Total Hours	Total cost
29 Acacia Road	16 yrs	20	320	£5,209.60

This only takes into account staff time; it does not add repair/maintenance costs, which are likely to vary hugely from case to case. However, in this instance, the owner will have been billed for these



works so invoices should exist within the council, allowing you to extract the precise amount. So for our example house, a cost analysis might look like the following;

<b>29 Acacia Road</b>	
Staff costs	£5,209.60
Repairs	£10,656
Garden	£500
<b>Total</b>	<b>£16,365.60</b>

### **B&Bs**

There is also the cost to the council of providing temporary accommodation for homeless applicants, which due to a lack of housing often means sending applicants to B&Bs. The average cost to a council of housing people in B&Bs is £188.45 per week, per household. If 10 properties, for example, were bought by the council to add to their stock as homeless temporary accommodation, then this would equate to saving of £1,884.50 per week;

*Cost of B&B for a week; £188.45. Savings for 10 properties brought back into use as temporary accommodation; 10 x £188.45 = £1,884.50*

### **Indirect Costs**

To an extent many of the indirect costs that affect the council are covered in greater detail in the 'Community Spend' section which follows, but they can be summed up as;

- Reduction in housing value in the area, directly devaluing the council's ability to sell land, or buildings it no longer requires, at their true market rate
- Police and Fire Services having to respond to callouts
- Lost spend in the community, affecting businesses, therefore potential effecting business rates (see Section 4, Impact on the Community)

### **Reduction in Value**

The estimated reduction in value for a property next to an empty home is 18%, as evidenced by the [Empty Homes Agency](#). In circumstances where the person living next to an empty home is trying to sell, that could have huge ramifications for them, especially if they purchased the property (and arranged a mortgage for it) at a time when the value was 18% higher. A good example of this is given below.

#### *Case Study Example*

*A number of years ago a couple bought a mid-terraced house next to an empty home. They did not know it was empty and because they were so focused on buying the other home, they did not pay much attention to it; they were not aware of the issue of empty homes and admitted later that they did not know what to look for. They noticed fairly soon after moving in to the property that the house*



*next door was unoccupied, but it was only after a couple of years that they started to notice that the empty property was deteriorating badly, and when they moved a wardrobe in their upstairs bedroom they noticed a large patch of mould caused by damp coming through from next door.*

*Eventually the dilapidated state of the empty property started to cause them real stress and concern, especially as by now they had two young children who often played outside the empty home, and there was a real risk of glass or roof tiles coming loose and injuring the children. They took the decision they could no longer live next to such a property and decided to rent another property on the other side of town, and try to sell their house. This meant paying rent on one property and a mortgage on the other, at great financial burden to them.*

*Now, however, they discovered the true cost of living next to an empty home; the value of their property had dropped below their acceptable cut-off level, the level at which they could pay off all their debts. In this case the highest offer they were receiving was 20% less than the amount they had originally paid for the property, which they could not accept. In fact, they had moved out for so long whilst trying to sell that their own property became officially classified as a long-term empty property. For them, the reduction in value may as well have been 100%, because it meant they simply could not sell.*

Such a steep drop in the value of a property, which could prevent it from being sold at all, could seriously hamper people's social mobility, effectively tying them into a property that they are increasingly unlikely to want to live in. Across a neighbourhood, it could even cause other properties to become empty, as in the example above, as they become unsellable or unlettable. This is only likely to exacerbate the problems within the neighbourhood.

### **Emergency Service Callouts**

Empty homes are more prone to anti-social behaviour (such as fly-tipping and vandalism) than an occupied home because there is nobody living in the house keeping it secure. Consequently, they can be entered more easily (a rotten door or a loose window won't do much to stop a determined attacker) and once in, the chances of that person being detected are greatly reduced. Essentially, all empty homes rely on the vigilance of neighbours, but at certain times, such as winter when the nights are longer, and the middle of the night when most people are in bed, they become more vulnerable. In some cases, the properties are even set on fire, with no regard to the people living next door. The cost of a single fire service callout is £1,970 per call, and for the police this is around £1,000. More importantly, having these services constantly tied up dealing with a house that should be filled is a waste of valuable resources at a time when these are already stretched.

More indirect costs to the council are included in the following section.



## **4: Impact on the Community**

By the end of this section, you should be able to;

- Understand the value and impact of community spend on the neighbourhood
- Explain the way that empty homes can affect the supply of affordable homes in their area
- Have some understanding of the social impacts of empty homes

### **Who might benefit from this section**

Anybody who is interested in the effect of empty homes on their local area should find some useful information in this section. This includes professionals, members of the public or community groups and social enterprises.

### **Community Spend**

According to [The Office for National Statistics](#) annual survey, the average UK household spends around £517.30 per week. That is £26,899.60 per year ( $£517.30 \times 52$ ). Not all of that is ploughed back into the local community; housing and energy costs, in most instances, will go to a large national company. However when a filter is applied to limit the figure to the amount spent on other goods such as food, drink, clothing, recreation and leisure activities, most of which will probably be spent in the local area, the total is £257.90 per week, or £13,410.80 for the year. So in other words, not only is each empty home costing the owner and the council, it is also costing the community over £13k per empty home.

The ONS does not publish separate figures for Scotland but a [study](#) by ASDA showed the figure for Scotland as being around £190 per week. That would still equate to a hefty £9880 annual spend per household. However for the purposes of our formulae we've stuck with the ONS figures;

#### *Formula*

*Average household spend per week = £517.30*

*After filter (see above) applied to spend likely to be made locally (food, drink, leisure etc.) = £257.90*

*Household spend per year = £257.90 x 52 weeks = £13,410.80*

*So each empty home costs the community on average £13,410.80 per home*

*For 100 empty homes; £13,410.80 x 100 = £1,341,080 (or £1.3million)*

*For 1000 empty homes: £13,410.80 x 1000 = £13,410,800 (or £13.4million)*

*Remember, this is just for one year! So if 1000 homes were empty for 10 years...*

*£13.4million x 10 = £134million*



## Supplier Benefits

There are also the benefits that might be accrued from having empty homes bought by new owners who want to spend money on them. Those owners are likely to hire local builders to do their work, often using local building supplies. That creates job opportunities for people both in the building trade and the building supply industry. A few examples of this are given in the table below;

Project	No. of units	Spend
<a href="#">Homes for Good</a>	49	£175,640
Carlisle City Council	54	£814,606.73
<a href="#">Methodist Action North West</a>	24	£706,260

As you can see from the examples above, it is very difficult to put a precise figure on the amount gained by bringing empty homes into use via renovation. The reasons for this are;

- Differing levels of renovation required, depending on project goals
- Different recording methods (i.e. labour and materials often combined)

In Carlisle, it was estimated that for every pound spent on the project, £5.28 was generated for the local economy. So one possible way of generating a rough estimation of the value of the works is to take the figure of £15k that we discussed earlier as the average cost of renovating a home, and work that into a formula. So here's how it could look;

### *Formula*

*Average cost of renovation = £15,000 (per property)*

*Cost for 20 homes,  $20 \times £15,000 = £300,000$*

*Cost benefit ratio = £1/£5.28*

*Cost benefit for 20 homes  $£300,000 \times 5.28 = £1,584,000$*

The figure of £5.28 is unique to the Carlisle project and unlikely to be the same in other projects. It is used here purely for the purposes of completing the above formula and wherever possible a similar ratio should be procured for your area, using all the information contained within this Tool.

## Increasing the Supply

Increasing the total number of units back in use in an area is likely to have an effect on lowering house prices in that area. Some, but not all, empty homes will be brought back into use as affordable units. Whatever its eventual end use however, each empty home brought back into use can still be assumed to be contributing towards the supply of affordable units in an area. The logic behind this argument is that even a house that is sold for a sizeable amount is usually bought by someone from a less expensive house (as more often than not, people tend to go up the property ladder rather than down it, at least when they have a choice in the matter). Their house is then sold to someone from an even less expensive one, and so on until the bottom of the chain, which is likely to be



somebody moving from rented accommodation (social or private) and therefore freeing up that property for someone without a home to live in. If the empty property was not resolved, those people would never move up the chain and the bottom rung would take longer to clear. Increased supply that starts to meet demand will very likely help to reduce rental and property prices too, or at least prevent them from rising as fast and causing more and more properties to become unaffordable.

The average price of a house in Scotland is currently [£167,765](#). Using that price, it was estimated that the 560 properties brought back into use in total across Scotland 2014/15 were worth a combined £93 million. At the time of writing, the total number of properties brought back into use in the life of the Partnership is 1209, which equates to £199m. But a more sobering statistic is that the 27,000 homes still empty in Scotland, by the same formula, are worth a combined £4.5 **billion**.

#### *Formula*

*Average house price in Scotland = £167,765 x 560 = £93,948,400 (£93million)*

*Average house price in Scotland = £167,765 x 1209 = £202,827,885 (£202million)*

*For your area, simply take the number of empty homes you have, or the number of empty homes brought back into use, and times it by the current average value. If you want a more localised average value, you could try googling it, i.e. "average house price Edinburgh 2015". You would then simply replace £167,765 with whatever that figure is. So for Edinburgh;*

*Average house price in Edinburgh = £270,000*

#### *Thought*

*Consider empty homes as the equivalent of housing glaciers. Glaciers store fresh water and lock it out of the rest of the ecosystem. Empty homes store up property value and lock it away from the rest of the economy.*

## **Social Impacts**

During a recent piece of research carried out on the effects of living next to an empty home<sup>1</sup> (copies available from SEHP on request), it was discovered that almost all of the interviewees were suffering increased levels of stress and anxiety. This could range from an extreme example, such as that given in the Case Study Example in section 2, to mild annoyance and frustration. Empty homes can attract anti-social behaviour, which includes;

- Fly-tipping
- Vandalism
- Theft
- Arson

It is difficult to evidence the social impact of empty homes, because this deals more with people's perceptions and feelings than it does in hard numbers. However, there are ways in which some evidence can be provided;

<sup>1</sup> Leask, G (2015) What is it really like to live next to an empty home: a qualitative study. University of Stirling



### Interviews

*The study mentioned above was carried out using semi-structured interviews, usually lasting an hour long. Although this was for academic purposes, Empty Homes Officers also conduct such interviews on a regular basis for their work, and ask many of the same questions. One idea could be to ask questions which focus more on the effects the household are feeling, and to collate the results afterwards. This wouldn't require detailed data analysis, but simply a summary of how people felt it was affecting them, could be useful. An advantage of this approach is that it is likely to generate a usable quote for case studies or even for future media use.*

### Surveys

*Most local authorities carry out neighbourhood satisfaction surveys on an annual basis. One way of demonstrating the social value of empty homes work could be to monitor the results of surveys for areas which have a particular cluster of empty homes, and see if they improve as the number of empty homes is reduced. This could be over one year or several, showing a cumulative effect. A standard survey could also be sent to anyone complaining about empty homes, asking them to put in writing some of the ways the empty home affects them.*

### Local Businesses

*Another way to evidence the impact of empty homes in an area, particularly an area with a high concentration of empty homes, would be to ask local business owners how they feel about the number of empty homes. This would be even better if those business owners had been around for a while, and could give a commentary on how the growing cluster of empty homes has affected their business. Again, this could be done via survey but is more likely to produce results if asked in person.*

### Landlords

*This could be landlords directly, letting agents that operate locally or even lettings officers within the relevant local authority/housing association. They are likely to be affected too, and may have direct experience of their properties being next to empty homes, and some of the problems that causes. Specifically, they may be able to provide evidence of the difficulty of letting their properties next to empty homes, and the likelihood of those properties then becoming empty themselves. They may also grant permission for tenants to speak to you about how they feel living next to an empty home too.*



## **5: Environmental benefits**

In the Direct Costs section above, we looked at how using renovation to provide affordable homes instead of new build could save the council (and by extension, anybody else wanting to provide large scale affordable housing) a huge amount of money. There is also the benefit to the environment of reusing empty properties as opposed to building new ones. According to [this](#) study; “*The study shows that although new homes are more energy efficient once built, 50 tonnes of carbon emissions are generated in their construction, compared to 15 tonnes for the refurbishment of an existing property. In most of the houses studied, it took more than 50 years for this difference to be compensated for by the lower carbon emissions generated from the day-to-day energy use.*”

So using the same logic that we applied to the costs saving formula for renovations, this could be what your environmental formula might look like;

*Greenhouse Gases (GHG) used to build a new house = 50 tonnes (t) GHG*

*GHG used to renovate a house = 15t GHG*

*Difference = 35t GHG*

*So for 100 new build houses; 100 x 50t GHG = 5000t GHG*

*For 100 renovated properties; 100 x 15t GHG = 1500t GHG*

*Carbon saving for 100 renovated houses instead of 100 built houses = 3500t GHG (70% saving)*

There is further corroboration of the value of this saving from Historic Scotland [here](#).



## Round-up

Type of activity	Units	Value (Cost/Benefit)	Find the formula	Comments
Council Tax from homes brought back into use	32	£33,782	Page 3	
Data cleansing	120	£26,350	Page 5	
Arrears from 29 Acacia Road	1	£11,800	Page 4	
Amount gained by EHO working on 200% c/tax	2	£3,520	Page 8	
Emergency repairs carried out	1	£10,656	Page 10	See page 10, no formula but could use actual figures spent
Staff time	1	£5209.60	Page 10	
Garden maintenance	1	£500	Page 10	As with repairs, no formula but could use actual figures spent
Community Spend	100	£1,341,080 p/a	Page 13	Local figures may be used
Cost Benefit ratio	20	£300,000/ £1,584,000	Page 14	Ratio of 1 : 5.28 unique to Carlisle; use your own ratio if possible
Value of empty homes brought into use	560	£93,948,400	Page 15	Local figures may be used
Houses renovated instead of built	100	3500t GHG saved	Page 17	



## **References**

Most facts and figures cited in the tool are provided with a hyperlink to the original source of the information. However, if the document is being viewed in a format which does not support hyperlinks or if they are not working, you should be able to access the information by following these links;

For information on the 200% charge, use this link;

<http://www.gov.scot/Topics/Government/local-government/17999/counciltax/Secondhomes>

And for the Supplementary Guidance on the charge, issued 4<sup>th</sup> June 2015, see here;

<http://www.gov.scot/Resource/0047/00478561.pdf>

For staff time evidence, look here;

<http://www.bbc.co.uk/news/business-26512643>

For evidence on the reduction in value for neighbouring properties (please be aware this is an archived link, and some of the links on the page may not work;

[http://webarchive.nationalarchives.gov.uk/20140805133148/http://homesandcommunities.co.uk/empty-homes-toolkit?page\\_id=3856&page=4](http://webarchive.nationalarchives.gov.uk/20140805133148/http://homesandcommunities.co.uk/empty-homes-toolkit?page_id=3856&page=4)

For household spend;

<http://www.ons.gov.uk/ons/rel/family-spending/family-spending/2014-edition/index.html>

And the BBC story on Scottish households' spending;

<http://www.bbc.co.uk/news/uk-scotland-scotland-business-34611447>

For more info on Homes for Good;

<http://www.homesforgood.org.uk/>

For the full awards submission for Methodist Action North West, follow this link;

<http://www.ehnetwork.org.uk/newsitem/best-local-authority-community-housing-organisation-partnership-award-2015>

For full details of Carlisle's Empty Homes Project, please contact [housing@carlisle.gov.uk](mailto:housing@carlisle.gov.uk)

For the average price of property in Scotland as of autumn 2015, follow this link (or alternatively, google it!);

<http://www.propertywire.com/news/europe/scotland-property-price-index-2015072910803.html>

For the evidence of environmental benefit of renovating vs newbuilds;

<http://www.bshf.org/published-information/publication.cfm?thePubID=3DE7278E-15C5-F4C0-99E86A547EB36D44>

And for Historic Scotland's contribution to the debate;

<http://conservation.historic-scotland.gov.uk/publication-detail.htm?pubid=8913>

