



**RHONDDA CYNON TAF**



## **Rhondda Cynon Taf Empty Homes Strategy**

**2022-2025**

## Contents

1. Introduction
2. Empty Homes and Housing Need
3. Enforcement Solutions and Legislative Framework
4. Challenges to bringing empty homes back into use
5. Financial Cost of Empty Homes
6. Current Approaches and Funding Options
7. Performance
8. Strategic Aims
9. Action Plan and Monitoring

**Appendix A** – Long Term Empty Homes by Ward

**Appendix B** – Case Studies

**Appendix C** - Performance Indicator Council Tax Exemption Classes

**Appendix D** – Empty Homes Strategy Action Plan 2022-2025

# 1 Introduction

## 1.1 Background and Strategic Context

This Strategy provides a framework for all activity within Rhondda Cynon Taf (RCT) aimed at bringing empty homes back into use. It will supplement the previous strategy, which was approved by Cabinet in November 2018, which in turn replaced the Cwm Taf Empty Property Strategy that was produced jointly with Merthyr Tydfil Borough Council in 2014. The need to have a distinct strategy for RCT going forward was in recognition of the high numbers of empty homes in the Borough, especially in the North, and the Council's commitment to addressing the problem. It was also in appreciation of the continuing pressure to deliver affordable housing for residents of RCT. Whilst most new housing supply will be delivered through new build developments, bringing empty homes back into use can offer an economically viable option, which can also contribute to increasing the affordable housing supply. At the same time, it will have a positive impact on existing communities by improving environmental and social conditions.

In March 2020, the Council's corporate plan "Making a difference" was adopted. The plan sets out a vision for:

*"Rhondda Cynon Taf to be, the best place in Wales to live, work and play, where people and businesses are independent, healthy and prosperous"*

The Council is committed to delivering on these three main principles:

- Ensuring **People** are independent, healthy and successful
- Creating **Places** where people are proud to live, work and play
- Enabling **Prosperity** by creating the opportunity for people and businesses to be innovative, be entrepreneurial, fulfil their potential, and prosper

Bringing empty homes back into use contributes to all three principles and also helps assist the Council to contribute to three of the seven wellbeing goals that 'The Well Being of Future Generations (Wales) Act 2015' puts in place as follows:

1. A healthier Wales

2. A prosperous Wales
3. A Wales of cohesive communities

Investment in housing provides an ongoing stimulus to the local economy, by supporting the construction industry and local supply chains. Making available a supply of affordable homes also helps to improve the prosperity of residents and helps support a huge range of households in society that may not otherwise be able to meet their needs in the market, thereby promoting independence and positive lives for all.

## **1.2 National Context**

According to Welsh Government's most recent statistics, as at 31<sup>st</sup> March 2020 there were an estimated 1.4 million dwellings in Wales, of these just over 27,000 had been vacant for more than six months. <sup>1</sup> Empty homes represent a wasted resource, financial expense and in many cases, a missed opportunity to provide much needed affordable housing for people in Wales. Not only are they a waste of a valuable housing resource, but they can cause blight to communities and distress to residents affected by their unsightly appearance and propensity to attract crime, vandals and anti-social behaviour. In addition to this, living next door to an empty home can devalue a home by as much as 18% and unsightly homes deter investment in an area and leads to a more general cycle of decline. <sup>2</sup>

For many years, demand for housing in Wales has outstripped supply. This extra necessity for housing is driven by an increase in households, a growing population and changing demographics. The Welsh Government had an ambitious target of delivering an additional 20,000 new affordable homes by 2021 which was successfully exceeded. Whilst this target relates to new build homes, it is acknowledged that better utilisation of the existing housing stock can help ease some of the burden to delivering these new homes whilst also acting as a catalyst for area regeneration and community sustainability. Studies

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<sup>1</sup> Welsh Gov't Housing Statistics

<sup>2</sup> Royal Institute of Chartered Surveyors

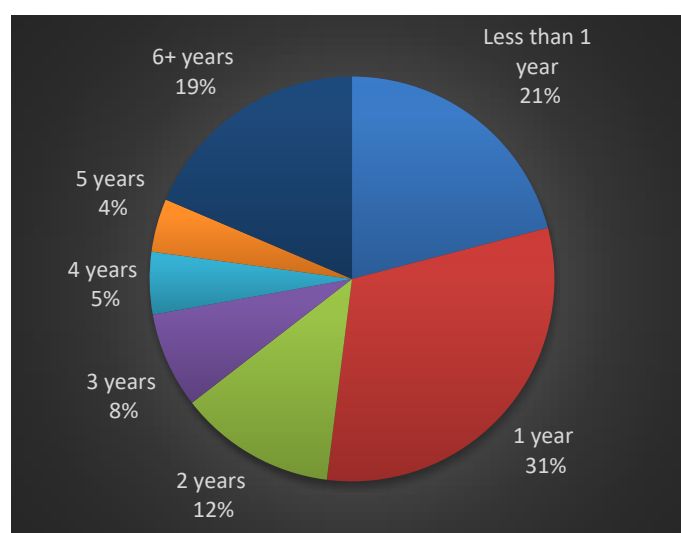
have also shown that the average cost of returning empty homes to a habitable state is between £6,000 and £12,000 per property, however it is expected that, due to the recent shortage and increase in material costs, this figure is much higher.<sup>3</sup> This supports the statement that “bringing empty homes back into use not only provides much needed affordable housing, but can also be a more economically viable option to new build”.<sup>4</sup>

For this reason, the Welsh Government set an equally ambitious target of 5,000 empty homes to be brought back into use across Wales by 2021 and RCT was required to contribute to this target. Due to the constraints of Covid, which overlapped the previous Senedd term up to the end of 2021, there are no updates available on the empty homes target. During the next Senedd term 2021-25, no specific targets have been set but a commitment in excess of £2billion has been allocated for affordable housing.

### 1.3 Local Context

RCT is the second largest authority in Wales with a population of 237,700 and 103,300 dwellings.<sup>5</sup> Of these dwellings, 92,197 are in the private sector (either owner occupied or privately rented). As at April 2021, 3.1% of RCT’s private housing stock was empty which equates to 2,894 empty homes.

**Figure 1: Empty Property Void Time as at April 2021**



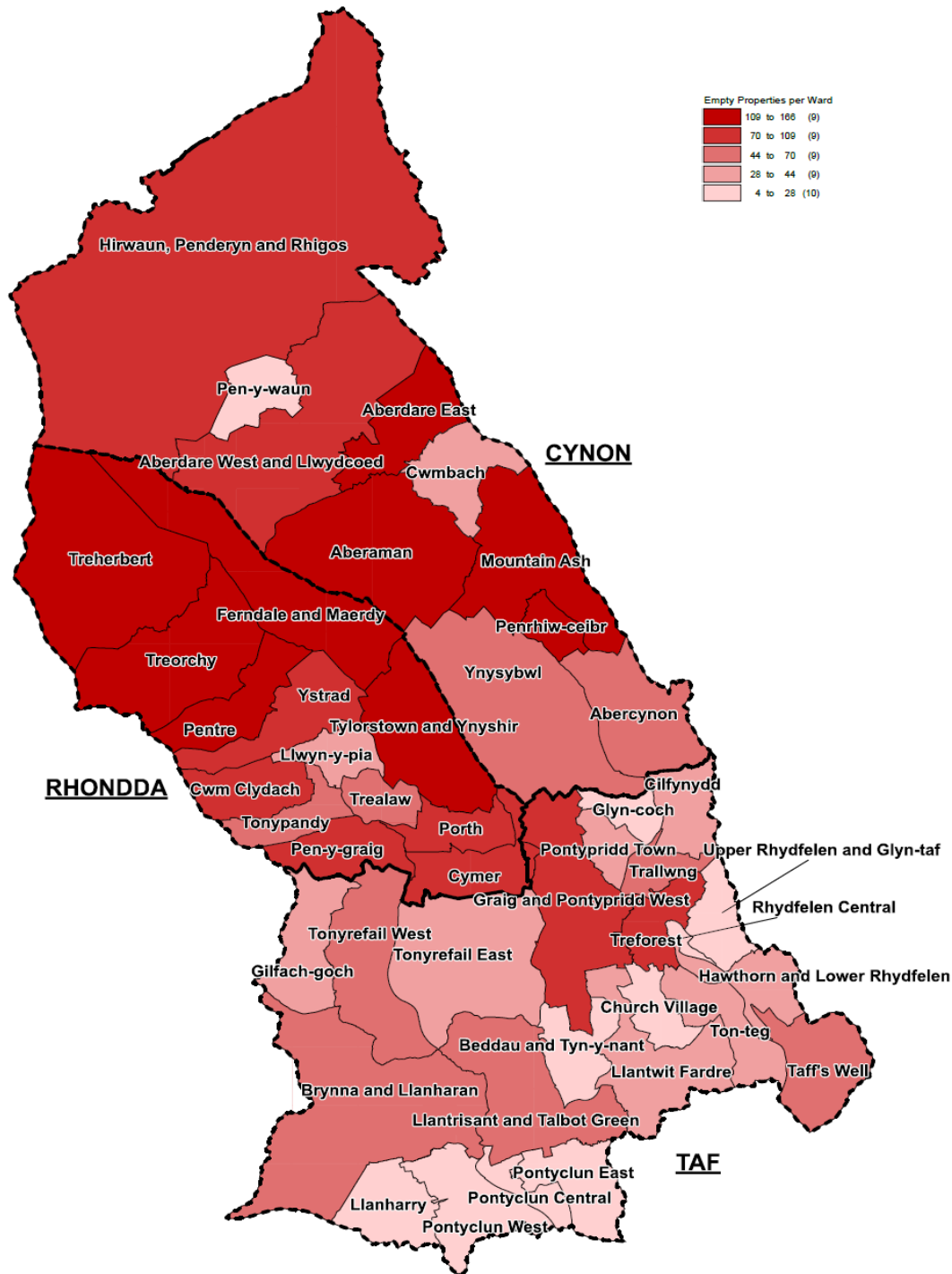
<sup>3</sup> Chartered Institute of Housing – Information leaflet

<sup>4</sup> Empty Homes Agency (2018)

<sup>5</sup> Source: Welsh Government key statistics – National Census 2021 & Midyear Census 2016

As shown in Figure 1, 64% of homes that were empty as at 1<sup>st</sup> April 2021 had been vacant for less than three years, whilst 19% had been vacant for over 6 years. However, although this snapshot provided a useful reference point, trend data provides a much more reliable overview of the longer-term situation.

**Figure 2: Percentages of Private Sector Empty Homes by Ward as at 1<sup>st</sup> April**



Looking at the number of empty homes as a percentage of the total housing stock, enables us to pinpoint the areas that are worst affected. Whilst there are empty homes throughout the whole of RCT, analysis shows that in this snapshot, the issue is most acute within several parts of the Rhondda, with 44% of the total of empty homes located in the Rhondda. Whilst Cynon has a total of 30% empty homes, Aberdare has the second highest number of empty homes in RCT with a total of 190 properties recorded as empty. Conversely, most of Taf has a particularly low proportion of empty homes with 27% of properties empty, however Pontypridd has a total of 381 empty homes. Empty homes within this area tend to be empty for reasons other than low demand (i.e. inheritance, sentimental reasons, and probate) and are thus more difficult to return to beneficial use.

An analysis of four annual empty homes snapshots was undertaken using the data from 2018 to 2021 (**Appendix A**). In total, only 905 homes (7% of the total) appeared on all four successive snapshots (i.e. in 2018, 2019, 2020 and 2021) and 2,102 homes (17% of the total) appeared on two consecutive snapshots before ceasing to feature on future data collections. Most significantly, 9,048 homes (67% of the total) appeared on only one of the snapshots in four years. Whilst many of these homes were empty for longer than a single year, they were not empty for so long as to span two annual data collections and can therefore be considered 'transactional'. In other words, the bulk of homes recorded over the last four years have only been empty for a relatively short time, before returning into use through purchase or rental. Conversely, only a minority of homes (3%) were re-recorded as empty again after being brought back into use over this period.

This data reveals some interesting trends to help illuminate the related problems in the County Borough. Firstly, the 905 empty homes that were identified as having appeared on all four snapshots without returning into beneficial use are likely to be some of the most problematic empty homes in the County Borough, although they are a relatively minor element of the overall

issue. Secondly, whilst RCT does have amongst the highest numbers of empty homes in Wales at any given point, this is primarily due to levels of 'churn' in the housing market, rather than persistent long term empty homes.



## **2. Empty Homes & Housing Need**

The Welsh Government defines housing need as:

*“Households lacking their own housing or living in housing which is inadequate or unsuitable, who are unlikely to be able to meet their housing needs in the housing market without assistance”.*

Bringing empty homes back into use can contribute to meeting housing need within RCT. However, it is important to recognise that there are different types of housing needs such as, the need to buy homes, the need for rental in the private sector and the need for affordable homes. There is no one solution that meets all these needs and therefore, the Council and its partners will have to work innovatively with empty property owners to meet these varied requirements. Partnership working continues to be an integral aspect to the effectiveness of empty homes action undertaken within the Borough.

### **2.1 Local Housing Market Assessment**

The Council has identified an overall shortfall in affordable housing units, as well as a predicted future increase in housing need. The most recent Local Housing Market Assessment (LHMA) undertaken in 2022 has identified a need for 255 new affordable homes each year between 2022 and 2037.

This will also come at a time of increased house prices and rental charges. The LHMA also estimated that 6,208 new households will form during this period, 1,951 of which will not be able to afford market housing costs. It is therefore evident that new build developments alone will not sufficiently meet demand, further reinforcing the necessity for investment in the existing housing stock.<sup>6</sup>

### **2.2 Affordable Housing**

Affordable housing is categorised as housing that is provided for sale or rent at below open market prices, and where there are secure mechanisms in place to ensure that it is accessible to those who cannot afford market housing. Recent research has suggested that many people looking for affordable housing want

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<sup>6</sup> RCTCBC Local Housing Market Assessment 2021

to live in existing communities. This is further evidenced by the Council's Homestep low cost home ownership register and historical demand for assistance to purchase existing properties and not just new build. Providing low cost homeownership in existing communities can also help to re-balance housing markets in areas where there is a high level of rented accommodation.

### **2.3 Homelessness**

Homeless prevention is when a local authority takes positive action to provide housing assistance to someone who the authority considers to be threatened with homelessness within 56 days. The Pandemic has resulted in an increase in the numbers of people presenting themselves as homeless or seeking advice and assistance. There has been a significant increase in the numbers of people based in emergency temporary accommodation who are unable to move on to suitable, permanent housing due to a shortage of properties.

Bringing empty homes back into use could contribute to meeting the needs of homelessness households, by increasing the housing supply and providing the local authority with nomination rights where incentives, such as grant or loan assistance has been provided.

### 3. **Enforcement Solutions and Legislative Framework**

As already mentioned, invariably, empty homes can be neglected and fall into disrepair. Where other informal approaches to owners have failed to bring about improvements, service of legal remedies will be considered.

The main options that are available to Councils include:

- **Building Act 1984, Sections 77-79**

This legislation allows the Council to require the owner of a building to carry out remedial works or demolish a building or structure if it is considered to be in a dangerous condition. If the owner fails to comply, the Council may carry out the works in default and recover the expenses reasonably incurred. This option is used in instances where the property is in a ruinous or dilapidated condition and is seriously detrimental to the amenities of the neighbourhood. The provision only addresses the external appearance of the building and therefore can be of limited benefit to the overall regeneration and reuse of the property.

- **Town and Country Planning Act 1990, Section 215**

Requires owners and occupiers to remedy their properties if they fail to maintain them and they are considered seriously detrimental to the amenities of the neighbourhood. The scope of this legislation is wide ranging and it is for the Council to interpret its use.

- **Local Government (Miscellaneous Provisions) Act 1982 Section 29**

Where a property is not effectively secured against unauthorised entry or is likely to become a danger to public health and is unoccupied or the occupier is absent from it, the Council can take action. It may secure the property or take steps to prevent it become a danger to public health.

- **Environmental Protection Act 1990, Sections 79-81**

This act allows the Council to require the abatement of statutory nuisance. This may be applied to a range of issues that affect empty homes, including the accumulation of rubbish or ingress of water, affecting neighbouring homes. The

Council can serve an abatement notice on the owners requiring works to abate the nuisance, and if necessary carry the work out in default.

- **Housing Act 2004**

The Housing Health and Safety Rating System is a risk-based assessment of the potential risks to health and safety from any deficiencies identified in dwellings. Several enforcement options exist, including emergency measures, dependant on the severity of the assessment outcome.

Empty Dwelling Management Orders are also available and could be considered for long-term empty homes as a last resort against un-cooperative property owners. The rental income would repay the Council costs associated with enforcing the order and managing the property for a period of up to 7 years. At the end of the lease, the habitable property would be handed back to the owner. This procedure would only be practical in areas of housing need and would require a housing association partner to provide the management as the Council does not have any of its own housing stock.

Demolition orders can be made on houses that are not suitable for habitation. Where a number of poor houses are identified in one area and where it is considered that such action will assist in the wider regeneration of an area, the Council has powers to clear a number at once. These powers can be used for empty houses.

- **Housing Act 1985, Section 17**

If an owner refuses to bring a home back into use and the property is having a degenerative effect on the area, the Council has powers to compulsory purchase. This procedure could be considered where the Council identifies a future purposed use for the building.

- **Law of Property Act 1925, Section 103**

Exercising the power of sale of an empty property where money is owed to the Council: for example, because of the Council having to step in to undertake remedial works in default of an owner. The Council has a Policy for the use of

this power which highlights the need to ensure appropriate methods for disposal of homes so that local people are encouraged and able to buy them at market value, or otherwise that a housing association partner is able to purchase the homes for re-use as affordable housing.

## **4. Challenges to bringing empty homes back into use**

There are a number of different and sometimes localised reasons why homes become empty, some of which are:

### **4.1 Lack of local demand for homes**

Although the current housing market has resulted in a decline in the numbers of people being able to buy or rent a property, dwellings still remain empty in areas even where there are potential occupiers. Research shows that this is because there are too many similar homes for sale in the same locality and there is not sufficient variety in the localised housing market. In the North of the Borough, this manifests itself by the overabundance of traditional three bed terraced properties to the detriment of other options, especially for first time buyers and single people.

### **4.2 Housing market conditions**

RCT remains an affordable option for investors in the property market, and traditionally is one of the cheapest places in the UK to buy a home. According to a recent UK housing market survey, 7 of the 10 cheapest places to buy a house in the UK are in the South Wales valleys.<sup>7</sup> This has resulted in speculative investment purchases in areas where there is little demand or even an oversupply of similar, usually family, terraced properties. Local knowledge suggests that in areas of low demand many homes are sold via auction and to purchasers who do not know the area or understand the local market. Empty homes are often bought without being viewed because buyers are attracted by the low prices. These new owners are then unprepared for instances of unseen refurbishment work or low demand and may not have the resources or the inclination to invest in the property further; this results in homes remaining empty for longer. It can further lead to a situation where properties are “land banked” and left vacant waiting for an upturn in the housing market which may never materialise.

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<sup>7</sup> UK residential market survey June 2021

Within RCT, there are numerous sites, which have complicated ownership issues, which makes prosecution a non-viable option. Monies spent on certain buildings just results in a loss due to low residual land values. For example, buildings such as Tylorstown Workingman's Club would cost approximately £125k to demolish, leaving a plot of land worth around £1k to be sold through enforced sale. Mostly, these buildings are owned by "ghost" companies, and unfortunately they generate high numbers of complaints and are a cause for ongoing concern to the local communities they are situated in.

#### **4.3 Owner inertia**

For some owners, maximising income from their asset is not a high priority. Equally, an owner may lack the necessary knowledge or skills to refurbish or manage a property, but still be unwilling to sell. There may also be disputes regarding inheritance, which require the outcome of a legal remedy before rent, or sale, can be considered. Furthermore, a number of homes can remain empty due to personal or sentimental reasons.

#### **4.4 Poor condition of empty homes**

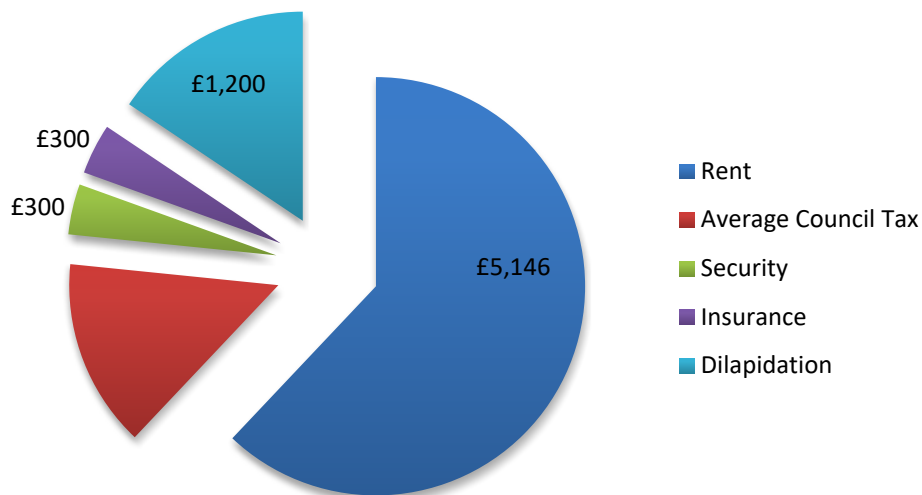
High quantities of homes are also empty due to their dilapidated condition. Research indicates that many owners are unable to carry out the necessary remedial works required to bring them up to an acceptable standard because of a lack of funds. These homes will remain empty until the essential works can be financed.

## 5. The Financial Cost of Empty Homes

### 5.1 Cost Implications for Owners of Empty Homes

Not only are long term empty homes a drain on council resources and a wasted resource in a time of meeting increased housing need, they are also a cost burden on the owners of the properties. Figure 4 shows that owning an empty dwelling costs the owner an average of £8,183.02 per annum based on 2022-23 costings. The rental loss is established by calculating the Local Housing Allowance of £98.96 for a 3-bed house and the Council Tax loss equates to the Council Tax rate for a band A property.

**Figure 4: Average Annual Cost to Owners of Empty Homes in RCT**





## **6. Current Approaches and Funding Options**

### **6.1 Current Approaches**

#### **6.1.1 Empty Homes Officers**

Over the last few years, the Council has increased its proactive approach to dealing with empty homes and now has two Empty Homes Officers working full time to tackle the issue. The Council's Empty Homes Officers maintain a comprehensive database of empty homes, based on Council Tax records and any property, which has been empty for more than six months as at 1<sup>st</sup> April, in conjunction with other known long-term empty homes. Part of the remit of the Empty Homes Officers is to identify ownership and legal responsibility of problematic empty homes, and to work with the owners or their estates to bring these back into use. Any direct actions taken by the Council or its partners on its behalf, which can lead to individual dwellings being returned to occupation, is recorded and the database is used to provide yearly performance indicator statistics and to monitor performance. Since the adoption of the last Empty Homes Strategy 2018 – 2021, 297 long-term empty homes have been brought back into use through direct action by the Empty Homes Officers.

The types of interventions that these officers undertake are as follows:

- proactively identifying and surveying empty homes
- serving notices on owners of empty homes where they are having a detrimental impact on the locality
- undertaking works in default (including demolition)
- securing empty homes
- enforced sales where the Council has secured a debt against an empty home
- providing advice and information

#### **6.1.2 Raising Awareness**

In order to raise awareness of the empty homes problem within RCT, a number of publicity and educational initiatives have been employed. Increased awareness of the issue can help identify properties of concern to residents and

encourage the owners to come forward and seek advice and guidance. To date, these initiatives have included the following:

- Publicising activities with social media and newspaper articles, local radio and Council and Local Health Authority newsletter articles
- Presenting to strategic partnership groups, Councillors, Community First Clusters, Landlord's Forum and the public
- Developing promotional literature such as leaflets and a comprehensive empty homeowner information pack
- The issue of questionnaires to owners of empty homes and residents affected by the issues

### **6.1.3 Targeted Community Approaches**

It is documented that there are communities, particularly in the North of the Borough, where there are persistently high levels of empty homes. These communities also experience high levels of social deprivation coupled with poor quality housing across all tenures. This situation can often deter people from moving into these areas and discourages people from staying; thus leading to a high turnover of homes, especially in the private rented sector, and a subsequent increase in the numbers of empty homes.

The implementation of a Housing and Health Action Area was launched in Tylorstown during February 2015 and completed in 2019. The over-arching aim was to improve housing, health and prosperity through specific housing interventions. Within this context, work began to categorise and take action on empty homes in the Tylorstown area, according to their condition, and need for possible enforcement action. As a result, 62 empty homes were brought back into use following council contact, intervention or enforcement action. This was despite the very challenging local housing market. However, whilst the initiative brought back into use 62 empty homes, during this time a different 73 became vacant, further highlighting the 'churn' in the housing market.

The success of the Housing and Health Action Area scheme in Tylorstown reinforces the notion that measures focussed on selective communities, need to be delivered in the context of a wider strategic approach that will improve the overall “outlook” for the communities whilst tackling some of the more macro social and economic issues that affect. The Housing Strategy and Investment Team, in partnership with other Council Departments and external organisations is delivering an area based project in Penrhiwceiber focussing on tackling poverty.

#### **6.1.4 Council Tax Premiums**

Since April 2018, the Council has used its discretionary powers to remove the 50% council tax discount that was applied to long-term empty homes. This means that since the 1<sup>st</sup> April 2018, all properties that are both vacant and unfurnished for six months or more, and do not qualify for council tax exemption, are charged 100% council tax. The impact of this has been substantial, with an increase in the number of requests for advice and assistance from both landlords and home owners, seeking to bring their properties back into use.

#### **6.1.5 Advice, Education and Information**

It is acknowledged that there is scope for the Council to proactively assist the market by focussing on the most problematic empty homes as well as those that can be most effectively used for affordable housing in the higher demand areas of the Borough. Equally, a number of less problematic empty homes may be brought back into use through the provision of advice and “education”. This has led to the production of a comprehensive information pack for owners of empty homes in RCT. The pack contains advice on a multitude of options what are available to owners to enable them to better utilise their asset. The pack covers issues such as selling the empty house, purchase advice, letting or renting the house, advice on how to become a property owner and how to advertise your property, advice on refurbishment, private finance, and tax relief/reductions and outlines the legal enforcement procedures applicable to empty homes.

## **6.2 Funding Options**

The Council has a number of funding options available to owners of empty homes to encourage them to be brought back into use. The options recognise that, apart from encouraging homeowners to utilise their assets, the commercial sector also represents a particular area where properties are underused, along with the residential upper floors of retail premises. The current funding options that are available are:

### **6.2.1 Empty Homes Grant**

Following recognition of the success of the RCT Empty Homes Grant, which was launched in 2016, RCT was approached by Welsh Government to discuss a Valleys Taskforce Empty Homes Grant Scheme Pilot. In the summer of 2019, the Welsh Government's Valleys Taskforce committed £10million to fund bringing empty homes back into use, with RCT Council appointed as the lead authority. Local Authorities in the Valleys Taskforce area include, Blaenau Gwent, Bridgend, Caerphilly, Carmarthen, Merthyr Tydfil, Neath Port Talbot and Torfaen.

The Valleys Taskforce Empty Homes Grant was available to perspective owner-occupiers who intend to occupy an empty home as their main residence, for a minimum 5-year period. To qualify, the empty home must have been registered vacant with the Council's Council Tax Department for a minimum of 6 months. Applicants' are required to make a mandatory contribution of 15% of the total cost of eligible works (capped at £3k). There was also a discretion to waive the 15% contribution in exceptional circumstances such as financial hardship, where the applicant could demonstrate that they are in receipt of an income related benefit. The grant was available for essential repair works to make properties safe and free from any category one or 2 hazards. During phase 1, the maximum grant award was £20k, but as part of phase 2, applicants could receive a maximum £25k grant. The additional £5k was specifically to support any suitable renewable energy measures that may be appropriate for the home, resulting in more homes improving their EPC ratings and helping to

reduce the overall carbon footprint in RCT as well as assisting owners/tenants with their fuel bills.

A total of 485 grants were approved, of which 263 (54%) are in RCT. A total of £7M is currently committed across the eight local authority areas, of which £3.9M (43%) is committed in RCT. As at September 2022, 360 homes have been brought back in to use, of which 206 (57%) are in RCT, the remaining homes plan to be brought back into use by the 31<sup>st</sup> March 2023.

In April 2021, following the end of the Valleys Taskforce Empty Homes Grant, the Council reverted to its RCT Empty Homes Grant and has supported over 130 valid applications, investing over £2M in bringing empty homes back into use.

The RCT Empty Homes Grant provides a grant up to £20,000 to prospective homeowners who intend to occupy an empty home as their main residence, for a minimum 5-year period. To qualify, the empty home must have been registered vacant with the Local Authority's Council Tax Department for a minimum of 6 months. The Grant is available for essential repair works to make properties safe and free from any category 1 or 2 hazards.

### **6.2.2 Houses into Homes Loan**

The Houses into Homes Loan is a Welsh Government funded scheme, which provides an interest free loan up to £25,000 per property or unit, and up to a total maximum of £150,000 per applicant. The scheme is aimed at returning privately owned empty homes into use and is managed by the Council. These loans are not available for potential owner-occupiers and are designed for applicants who want to rent or sell their property on completion of the refurbishment works. The loan must be repaid on sale or within 2 years from the date of loan approval, whichever is sooner, or within 3 years from the date of the loan approval if the property is for rent.

The Houses into Homes Loan has proved to be very popular with landlords and investors, the Council has processed over £4m of Houses into Homes loans

since the start of the scheme in 2012. This has provided 204 units of accommodation up to August 2022.

A Home Improvement Loan has enabled RCT residents to benefit from a loan to alleviate Category 1 and 2 hazards. Whilst this interest free loan is not targeted specifically at empty homes, it has enabled homeowners who have recently bought properties to carry out refurbishment works and improve the quality of housing within RCT.

In total, the two schemes have funded over £4.7M of improvements to RCT's housing stock, when the loan recipient's contributions are also taken into account, this figure is in excess of £7.5M. The majority of the £7.5M has been spent on the employment of local contractors and/or local building merchants and resources.

### **6.2.3 Homes Above Retail Premises (HARPS)**

A recent survey by the Federation of Master Builders<sup>8</sup> estimated that in the UK as a whole, as many as 300,000 to 400,000 new homes could be created by making use of empty spaces above shops. The Council has undertaken a number of approaches to bringing this empty space in town centres back into beneficial use.

The HARPS was enabled through the Welsh Governments' Vibrant and Viable Places (VVP) programme and focussed on the opportunities provided by the previously untapped housing market in Pontypridd Town Centre. Pontypridd has consistently been identified as one of the areas of high housing demand within the Borough and there is a distinct shortage of one and two bedroom units; yet the town centre offers very little scope to develop affordable housing to meet this demand. In total, 24 units of accommodation were delivered through the HARPS, and a total investment of £2.3M.

The current focus for the Regeneration Team is to provide an integrated approach to Town Centre Regeneration, one that incorporates all services,

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<sup>8</sup> Federation of Master Builders, Trade circular March 2021

employment opportunities, transport and housing solutions. This approach is funded by the Targeted Regeneration Investment (TRI) programme, which replaces the Vibrant and Viable Places Programme.

There is also provision in the Council's Housing Investment Policy (which identifies the Council's priorities for housing capital investment), to provide Flats over Shops grants to deliver residential accommodation in town centre locations.

#### **6.2.4 Affordable Housing**

Affordable housing is categorised as housing that is, provided for sale or rent at below open market prices and where there are secure mechanisms in place to ensure that it is accessible to those who cannot afford market housing. Recent research has suggested that many people looking for affordable housing want to live in existing communities. This is further evidenced by the Council's "Homestep" low cost home ownership register and historical demand for assistance to purchase existing properties and not just new build. Providing low cost homeownership in existing communities can also help to 're-balance' housing markets in areas where there is a high level of rented accommodation.

The Homestep Plus scheme was enabled through the Welsh Government's VVP programme and was delivered in partnership between the Council and United Welsh Housing Association. The scheme enabled United Welsh to identify and buy empty homes in the CF37 postcode area and to refurbish them before offering them for sale at 70% of the asking price. Alternatively, residents could identify their own property, which United Welsh purchased on their behalf and sell on at the discounted price. The scheme successfully brought 24 empty homes back into use.

The Council's aim is that by 2030, RCT will be a Carbon Neutral Council and the County Borough will be as close as possible to Carbon Neutral as it can get by then. Increasing the supply of housing without the need to build from new will help achieve the Council's Plan to tackle Climate Change.

## 7. Performance

### 7.1 Performance

As at 1<sup>st</sup> April 2021 there are 2,894 private sector empty homes in RCT compared to 3,556 in April 2017. In 2017, the percentage of private housing stock unoccupied was 3.81% while in April 2021 this had been reduced to 3.13%.

Over the last four years, the Council has brought back into use 905 homes through direct action, loan or grant aid. Over 1,700 interventions on empty homes have taken place during this period, including home visits and calls to provide advice, serve notices or secure empty homes. Some empty homes examples can be found in **Appendix B**.

As per Performance Indicator definition PAM13, this figure consists of the Council Tax exemption classes of, A,C,F,G, L and Q, these are further explained in **Appendix C**, but excludes homes under renovation and homes classed as second homes (furnished). It also does not include houses taken out of Council Tax banding because they are deemed uninhabitable, or commercial empty homes.

There are two figures to the performance indicator; the number of empty homes and the number of empty homes returned to use. The Council's performance over the last four years is detailed in Figure 3 below:

**Figure 3: Council performance in relation to empty homes**

	2018/19	2019/20	2020/21	2021/22	Total
<b>% of empty homes brought back into use:</b>	7.38%	5.97%	8.36%	9.43%	-
<b>Number of empty homes brought back into use:</b>	213	179	240	273	905
<b>Total number of empty homes:</b>	2885	3000	2870	2894	-



<b>Number of interventions:</b>	452	467	387	413	1719
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For context, it should be noted that RCT only counts empty homes that have been brought back into use as a consequence of direct action by the Council e.g. enforcement or financial assistance in accordance with the national performance indicator definitions.

Figure 3 also demonstrates the improvement from 2020/2021 in the total number of empty homes that have been brought back into use per year by the council both in real terms and as a percentage. Notably, this has been achieved despite Covid restrictions and the negative effect this has had on the local and national housing markets.

## 8. **Strategic Aims**

There is clear evidence that good progress has been made in bringing empty homes back into use in RCT over the last few years. However, the scale of the problem still persists and continues to present problems in many communities. Despite lots of interventions and substantial numbers of empty homes being brought back into use, often the overall total number of empty homes in the Borough at any one time remains relatively static i.e. as one empty home is brought back into use, another falls empty.

As such, a strong strategic approach is required which has objectives that are clear, deliverable and will make a difference to the scale of empty homes that are brought back into use as well as having a more fundamental impact on the total number in order to reverse the trend in a sustainable way.

The strategic aims are:

### 1. **To develop partnerships and vehicles that will enable an increase in the scale of empty homes being brought back into use:**

Drawing on best practice elsewhere, the Council will actively engage with housing associations, private sector partners, community groups and other stakeholders in the community, to identify new models and vehicles to increase the scale of empty homes that are brought back into use.

Responsibilities for the various interventions and approaches for empty homes are shared across two main departments within the Council. The 'Housing Strategy and Investment Team' located within the Prosperity & Development department is responsible for overall delivery of the strategy, developing an action plan and monitoring outcomes. It is also responsible for developing and delivering funding models and any other vehicles designed to bring empty homes back into use. Meanwhile, the Council's 'Housing Standards Team' located within the Public Health and Protection department is responsible for the provision of advice, assistance and enforcement activity as well as conducting pro-active visits.

Good communication and clarity of roles and responsibilities is vital to ensuring the successful delivery of the aims of this strategy. As such, an Empty Homes Operational Group co-ordinates delivery of the strategy, action plan and associated activity. The Group includes representatives from Housing Grants, Housing Strategy, Housing Standards, Regeneration, Planning, Council Tax and other partners as required.

**2. To maximise the use of current funding and identify further funding models to increase the number of empty homes that are brought back into use:**

The Council will continue to make available and ensure effective management of grants and loan schemes to facilitate owners (subject to funding) to bring their empty homes back into beneficial use. The Council will also prioritise identifying further funding opportunities that can be levered into the Borough for this purpose, one of which includes exploring a potential National Empty Homes Grant Scheme with Welsh Government.

**3. To continue to use a range of interventions to ensure all types of empty homes are targeted and enabled to be brought back into use and monitor the outcomes related to these closely:**

The Council will continue to encourage or enforce the improvement or conversion of empty homes to increase the supply and choice of housing across RCT. Priority will be given to those properties which have the greatest detriment to the surrounding community and/or those properties which can most effectively be returned to use in terms of contributing usefully to housing supply.

**4. To undertake further research in communities and evaluation of existing schemes to understand why there are a high number of empty homes and**

**identify possible solutions that could prevent homes from becoming empty:**

The Council in its strategic housing role will undertake further research to understand why some areas are blighted by empty homes, taking into consideration both the 'micro' and 'macro' causes. It is possible that empty homes in some communities are a symptom of other issues, rather than the problem in itself and undertaking in depth research into the housing market and other social economic factors might help to identify more innovative solutions and approaches to the problem. The trend-based data will continue to be analysed to assist in the targeting of interventions.

**5. To identify possible solutions that could prevent homes from becoming empty and also develop interventions for different market areas and types:**

The Council will ensure that in its five identified Strategic Opportunity Areas the opportunities to bring private sector empty homes back into use is maximised. In addition, major infrastructure projects are an instrument for kick-starting regeneration with train stations, and their surrounding environments, increasingly seen as the steer for regeneration programmes. The development of the South East Wales Metro, as part of the Cardiff Capital Region City Deal, provides such an opportunity. The Metro has modernised the core valley lines resulting in far more frequent and faster trains into and out of Cardiff. This may well result in renewed and increased demand for housing in some areas where the housing market has been affected by depopulation in recent years, which would have a positive impact on the number of empty homes. Increases in tourism could also present an opportunity to encourage the re-use of empty homes.

This preventative approach will also include an evaluation of existing schemes to ensure that the impact of current funding streams is effective, development of new schemes and identification of approaches to both prevent homes from becoming empty and manage low demand effectively.

## **9. Action Plan and Monitoring**

An Empty Homes Strategy Action Plan 2022-2025 (**Appendix D**) has been developed to accompany the Empty Homes Strategy adopted by the Council, with the purpose of driving forward its strategic aims, whilst also developing mechanisms to monitor the effectiveness (or otherwise) of the pro-active work being undertaken. The Action Plan mirrors the strategic aims outlined above and is monitored by the Empty Property Operational Group. The Empty Homes Operational Group meets quarterly and includes officers from Housing Strategy, Housing Grants, Public Health, Council Tax and Regeneration.

## **Appendix A – Location of 905 ‘Long Term’ Empty Homes**

<b>Ward</b>	<b>Number of empty homes appearing in 2018,2019 2020 and 2021 snapshot</b>
Glyncoch	1
Pontyclun East	1
Treforest	1
Graig and Pontypridd West	2
Pontyclun Central	2
Tonteg	2
Beddau and Tyn-Y-Nant	3
Llanharry	4
Penywaun	4
Pontyclun West	4
Upper Rhydyfelin and Glyntaf	4
Hawthorn and Lower Rhydyfelin	5
Rhydyfelin Central	6
Llantwit Fardre	7
Cilfynydd	8
Ynysybwl	9
Cwmbach	10
Gilfach Goch	10
Llantrisant and Talbot Green	10
Brynna and Llanharan	11
Trallwn	11
Church Village	14
Tonyrefail West	14
Llwynypia	16
Tonyrefail East	16
Trealaw	17
Hirwaun, Penderyn and Rhigos	20
Tonypandy	21
Cymmer	23
Penygraig	23
Ystrad	25
Cwm Clydach	26
Abercynon	27
Mountain Ash	28
Porth	35
Aberdare East	36
Aberdare West and Llwydcoed	37
Aberaman	39
Pentre	41
Penrhiwceiber	43
Ferndale and Maerdy	57
Treherbert	62
Treorchy	71
Tylorstown and Ynysir	99

## **Appendix B: Case Studies**

### **Case Study 1: Houses into Homes Loan**

A Houses to Homes loan was awarded in June 2019 for £75,000 for the conversion of storage space above retail premises into accommodation in the village of Ton Pentre. The top floor and building extension had been left vacant for nearly 30 years. After conversion, it now contains 3 X 2 bed self-contained flats. This scheme also attracted additional private sector contributions of £65,000 whilst local contractors were engaged to complete the renovation works.



## Case Study 2: Homestep Plus

This property had previously remained empty for over 4 years before it was purchased by United Welsh and renovated within a 6 months period. On completion of the works, the property was sold under a shared equity arrangement with the Homestep Plus applicant purchasing the property for £95,000.





### Case Study 3: Treforest Targeted Approach

This property was one of the longest standing empty homes in Treforest, having been empty since 2005. The Council's intervention helped by offering advice, guidance and encouragement to the owner regarding the condition of the property. The property was subsequently refurbished and has now been sold on the open market



## **Appendix C: Performance Indicator Council Tax Exemption Classes**

<b>Class</b>	<b>Definition</b>
A	Properties which are unoccupied and unfurnished because they are in the process of being built, renovated or structurally repaired are exempt for up to 6 months from the date of completion of repairs/ alterations OR 12 months from the date last occupied whichever is the sooner.
C	Properties that are unoccupied and unfurnished are exempt for up to 6 months from the date of vacation. This is likely to be the most common category and will include properties that are for sale or awaiting re-occupation.
F	Properties that are unoccupied because the person who would normally have to pay the council tax has died, and neither probate nor letters of administration have been granted. This applies until probate/letters of administration have been granted and for 6 months afterwards (unless someone else becomes the owner or occupies the property). This exemption only applies if the deceased was the freeholder/leaseholder of the property.
G	Properties that are unoccupied where occupation is prohibited by law. This would include a property subject to a Closing Order because it is unfit for habitation or which is kept unoccupied because of impending compulsory purchase.
L	Properties that are unoccupied properties where the mortgagee is in possession under the mortgage.
Q	Properties left empty by a bankrupt where the liable person would be a trustee in bankruptcy are exempt. No time limit whilst the trustee in bankruptcy remains as the qualifying person.

## **Appendix D: Empty Homes strategy Action Plan 2022-2025**

<b>Strategic Objective 1</b>	<b>To develop partnerships and vehicles that will enable an increase in the scale of empty homes being brought back into use</b>				
<b>Actions that will deliver this objective</b>	<b>Milestones/Sub Actions that will achieve the overarching Action</b>	<b>Measures of Success</b>	<b>Delivery Date</b>	<b>Responsibility</b>	<b>Progress</b>
Continue to coordinate and lead an Empty Homes Operational Group (EHOG) to deliver the aims and objectives of the Empty Homes Strategy	Review Terms of Reference and membership	Group continued and attended by members	Quarterly 2022-2025	Housing Strategy	
	Coordinate EHOG meetings every quarter in order to implement and monitor the delivery	Key stakeholders embrace and deliver the strategic aims and objectives	Quarterly 2022-2025	Housing Strategy	
Liaise with speculative investors who wish to acquire properties within RCT to let to members of the public	Continue to organise the RCT Landlord Forum, setting agendas, booking venues for meetings and collating minutes.	The number of members attending the Landlord forums. Feedback from the landlords attending the meetings.	Quarterly 2022-2025	Housing Strategy	
	Attend RCT Landlord Forum to present Houses into Homes loans scheme	Increase in the number of Houses into Homes loan applications	Quarterly 2022-2025	Housing Strategy	
	Maintain database of empty home investors	Increase in the number of empty home referrals to investors	Ongoing	Public Health and Protection	

<b>Strategic Objective 2</b>	<b>To maximise the use of current funding and identify further funding models to increase the number of empty homes that are brought back into use</b>				
<b>Actions that will deliver this objective</b>	<b>Milestones/Sub Actions that will achieve the overarching Action</b>	<b>Measures of Success</b>	<b>Delivery Date</b>	<b>Responsibility</b>	<b>Progress</b>
Identify and engage with empty home owners to investigate ways of returning empty homes back into use	To continue to provide Empty Homes Grants to assist owners to renovate long term empty properties by promoting the available schemes through posters/fliers, the council website an social media platforms.	Increase in the percentage of empty homes brought back into use	Ongoing	Housing Strategy and Grants	
Explore and implement a new Homestep Plus Scheme	Explore opportunities to deliver Homestep Plus in other areas of RCT	Areas identified to deliver Homestep Plus	April 2023	Housing Strategy	
	Implement a new Homestep plus scheme in RCT	Number of empty homes brought back into use through the scheme	September 2023	Housing Strategy	
Identify suitable empty homes and buildings in town centres and key settlements that could utilise funding	Identify suitable funding opportunities for mapped empty homes	Analysis undertaken of potential funding for each empty home  Decrease in the number of large unoccupied and/or derelict buildings	Ongoing	Housing Strategy	

<b>Strategic Objective 3</b>		<b>To continue to use a range of interventions to ensure all types of empty homes are targeted and enabled to be brought back into use and monitor the outcomes related to these closely</b>			
<b>Actions that will deliver this objective</b>	<b>Milestones/Sub Actions that will achieve the overarching Action</b>	<b>Measures of Success</b>	<b>Delivery Date</b>	<b>Responsibility</b>	<b>Progress</b>
A commitment to use appropriate enforcement powers where suitable	Develop an enforcement approach to deal with owners of empty properties who do not voluntarily engage in the opportunities available to bring their properties back into use	Increase in the use of enforced sales, compulsory purchase and empty dwelling management orders and a subsequent reduction in the number of problem dwellings within RCT	Ongoing	Public Health and Protection	
		Decrease in the number of complaints received regarding empty homes	Ongoing	Public Health and Protection	
	Establish a more proactive and targeted approach to enforcement	Increase the number of empty homes brought back into use	Ongoing	Public Health and Protection	
Provide up to date advice and assistance to bring empty homes back into use	Establish an Empty Homes webpage	Number of web page visits	December 2022	Housing Strategy	
	Update the Empty Home Advice Pack for empty home owners	Number of empty homes brought back into use	December 2022	Housing Strategy and Public Health and Protection	
	Promotion of Empty Homes Advice pack	Share Empty Homes Advice pack available on Council's webpage and social media platforms	December 2022	Housing Strategy	
	Develop online reporting of empty homes and develop a dedicated empty homes inbox	Number of empty homes reported online via Council's website	September 2023	Housing Strategy	

Strategic Objective 4	To undertake further research in communities and evaluation of existing schemes to understand why there are a high number of empty homes and identify possible solutions that could prevent homes from becoming empty				
Actions that will deliver this objective	Milestones/Sub Actions that will achieve the overarching Action	Measures of Success	Delivery Date	Responsibility	Progress
Share best practice with other local authorities/WG	Investigate benchmarking opportunities	Better understanding of empty home problems within RCT and neighbouring authorities	Ongoing	Housing Strategy	
	Potential to roll out of National Empty Homes Grant with Welsh Government	Number of empty homes brought back into use	October 2022	Housing Grants	
Maintain and monitor the Empty Property database	Record and report on the number of empty homes brought back into use through direct action by the Council	Increase in the number of interventions undertaken	Ongoing	Housing Strategy and Public Health and Protection	
		Increase in the number of empty homes brought back into use through interventions undertaken	Ongoing	Housing Strategy/Public Health and Protection	
Identify the reason why the number of empty homes remains relatively static in RCT	Undertake research to identify the reasons why the same number of empty homes become empty in certain areas	Solutions identified to target the trend of properties becoming vacant	July 2023	Housing Strategy	

<b>Strategic Objective 5</b>		<b>To identify possible solutions that could prevent homes from becoming empty and also develop interventions for different market areas and types</b>			
<b>Actions that will deliver this objective</b>	<b>Milestones/Sub Actions that will achieve the overarching Action</b>	<b>Measures of Success</b>	<b>Delivery Date</b>	<b>Responsibility</b>	<b>Progress</b>
Explore opportunities for Area Based Regeneration	Identify next area to deliver the Health and Housing Action Area scheme	Area identified and funding approved	March 2024	Housing Strategy	
Explore opportunity to increase empty homes Council Tax Premium	Compile report for political consideration, outlining benefits and options	Council Tax Premium increased and increase in the number of empty homes brought back into use	March 2023	Council Tax	

