

Homes England to lose 99.9% of investment after Ilke Homes theft

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An Ilke Homes project in Essex

Homes England is set to receive just 0.1 per cent of the £69m it is owed by Ilke Homes, after the administration process was hit by equipment theft and problems selling completed modules. The collapsed modular homebuilder owes £321m to its creditors, including £68.7m to Homes – but the current payout to the taxpayer-funded homes agency is estimated to be £82,000. Ilke also owes £725,000 to its employees, £2.2m to HMRC and £249.3m to unsecured creditors, none of whom will receive anything.

Administrators from AlixPartners applied to the court to place Ilke into liquidation in September, but it became clear that they could recover “significantly less value... than originally anticipated.” This was in part due to a [break-in at Ilke’s Flaxby Moor factory in Yorkshire in August](#), when equipment that had been sold at auction two days earlier was stolen.

On 19 August, 40 people cut through several secured gates and entered the site with at least 10 vehicles, including caravans and vans, according to North Yorkshire Police.

The group refused to leave until the early hours of 21 August, despite the presence of onsite police and the auctioneers, Hilco Valuation Services.

North Yorkshire Police confirmed that a “large amount” of equipment worth thousands of pounds reported stolen. Onsite security was unable to find any of the missing equipment while search vehicles.

The administrators were also unable to sell 300 completed modules in storage. The original customers were unwilling to buy the modules as they would not be able to finalise the home access to manuals that were stored electronically and unable to be accessed. Because the modules were designed for each customer in terms of specification and foundations to be installed or not possible to find other buyers.

Furthermore, a third-party supplier claimed title over the modules and some of the associated intellectual property.

The money returned to Homes England came from the sale of a high-speed assembly line at an August auction for £188,000.

Homes England was established in Knaresborough, Yorkshire, in 2018. It [entered administration in 2020](#) immediately making 1,039 of its 1,061 staff redundant.

In May and June, 36 businesses were approached about buying the troubled housebuilder. [Only one was](#) [received for £25m](#), according to the administrators’ previous reports, but the deal broke down.

A spokesperson for Homes England said: “A core part of our remit is to support the creation of a resilient, diverse and innovative housing sector, and investing in MMC [modern methods of construction] is an important part of that.

“There is always an inherent risk when investing in new technologies with new business models. We look to do things differently, but we remain committed to encouraging greater use of MMC, supporting its growth, and diversifying the housing market.”