

Appendix 18e: Empty Homes in England

Empty Homes in England

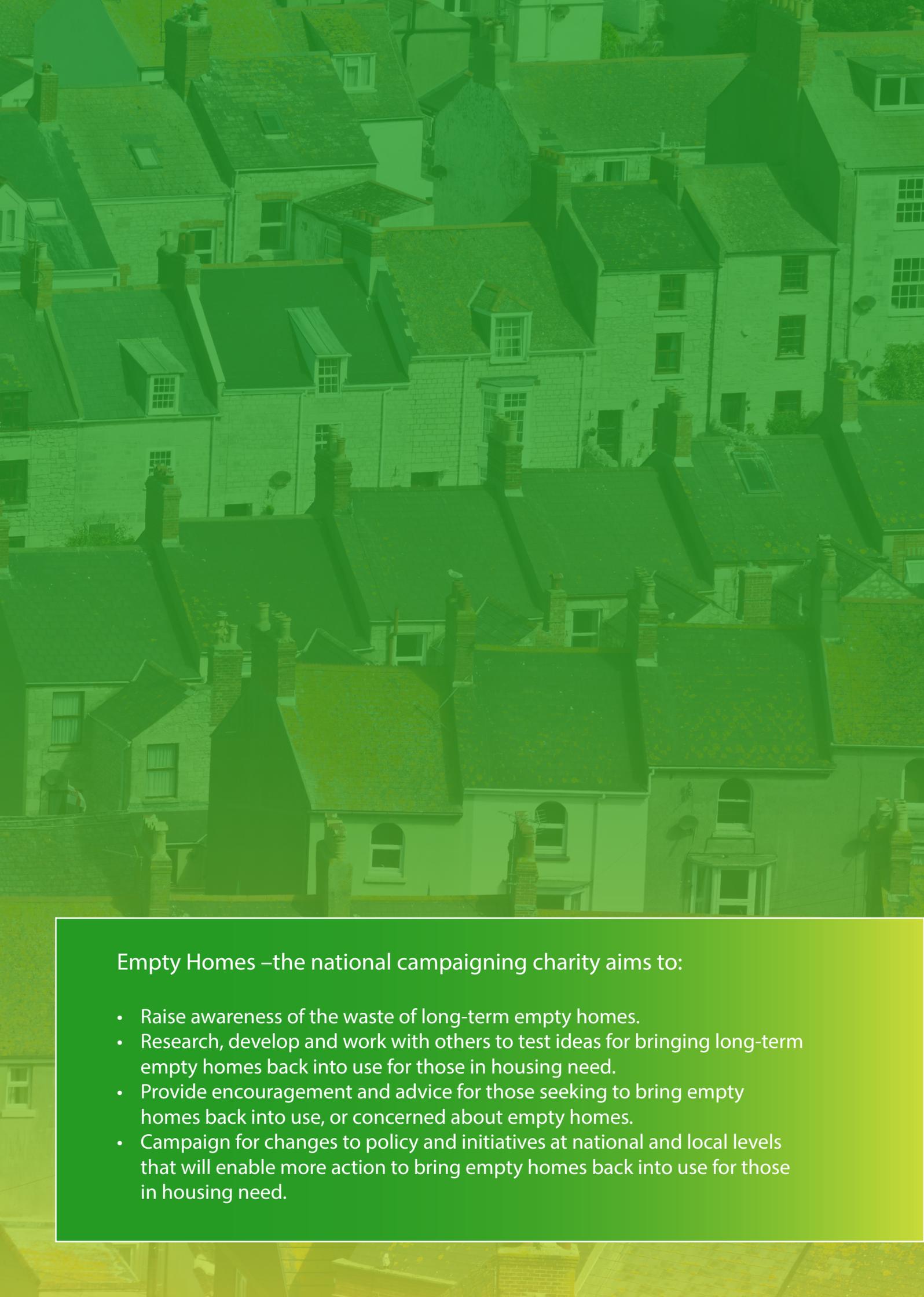


Autumn 2015



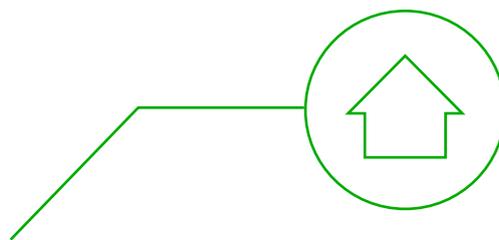
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Empty Homes –the national campaigning charity aims to:

- Raise awareness of the waste of long-term empty homes.
- Research, develop and work with others to test ideas for bringing long-term empty homes back into use for those in housing need.
- Provide encouragement and advice for those seeking to bring empty homes back into use, or concerned about empty homes.
- Campaign for changes to policy and initiatives at national and local levels that will enable more action to bring empty homes back into use for those in housing need.



Introduction

In England we are able to look at the level of empty homes from a snapshot taken by local authorities in October each year for their Council Taxbase returns to central Government. Government then produces official statistics of “vacant dwellings” and the latest set ¹ record over 200,000 long-term empty homes (empty for over six months) and over 600,000 total empty homes (see Appendix A for an explanation of the methodology used in the official statistics).

These official statistics also give us a fairly comprehensive picture of where empty homes are in England as they are reported by local authorities.²

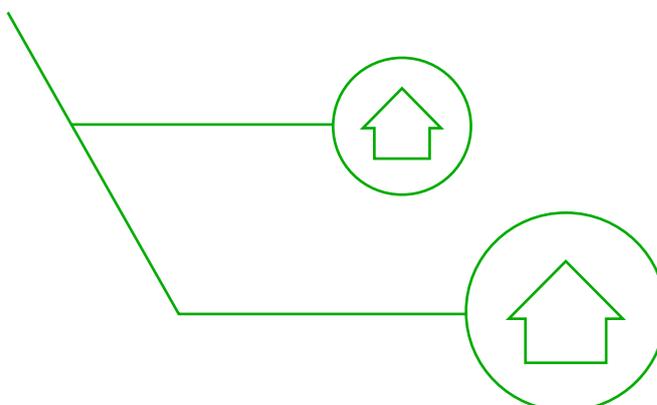
In this report we look at the characteristics of local authority areas with higher numbers of empty homes and a higher proportion of dwellings which are vacant. We also explore what needs to happen to bring more long-term empty homes back into use. We think creating homes from empty properties has a valuable role to play in meeting housing needs in an environmentally sustainable way. We also know that people see empty homes as a blight on their neighbourhoods and that bringing them back into use can also bring wider improvements to local areas. At the same time, we recognise that to meet housing needs across England, more homes need to be built too. Both building homes and creating new homes from empty properties should play a role in tackling the housing crisis.

We do not pretend that all empty homes are problematic. Housing markets need some empty properties to function. Some empty properties will be on the market for sale, or waiting for the new owner to move in. Some will be on the market for renting, or waiting for a signed up tenant to move in. However, if a property has not become re-occupied within six months it is worth looking at what is happening – is it nearing being lived in again, or is it stuck empty for some reason?

The longer a property is empty the more our housing assets are being wasted in the face of so many people looking for a decent home at a price they can afford. Also, the longer a property lies empty, the more likely it is to deteriorate; the more it is likely to cost to bring back into use; and the more it is likely to be seen as a blight by the neighbours. Early intervention can help ensure that properties do not remain empty over the years.



Helen Williams
CEO, Empty Homes



1. <https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants>

2. Ibid.

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Where are empty properties concentrated in England?

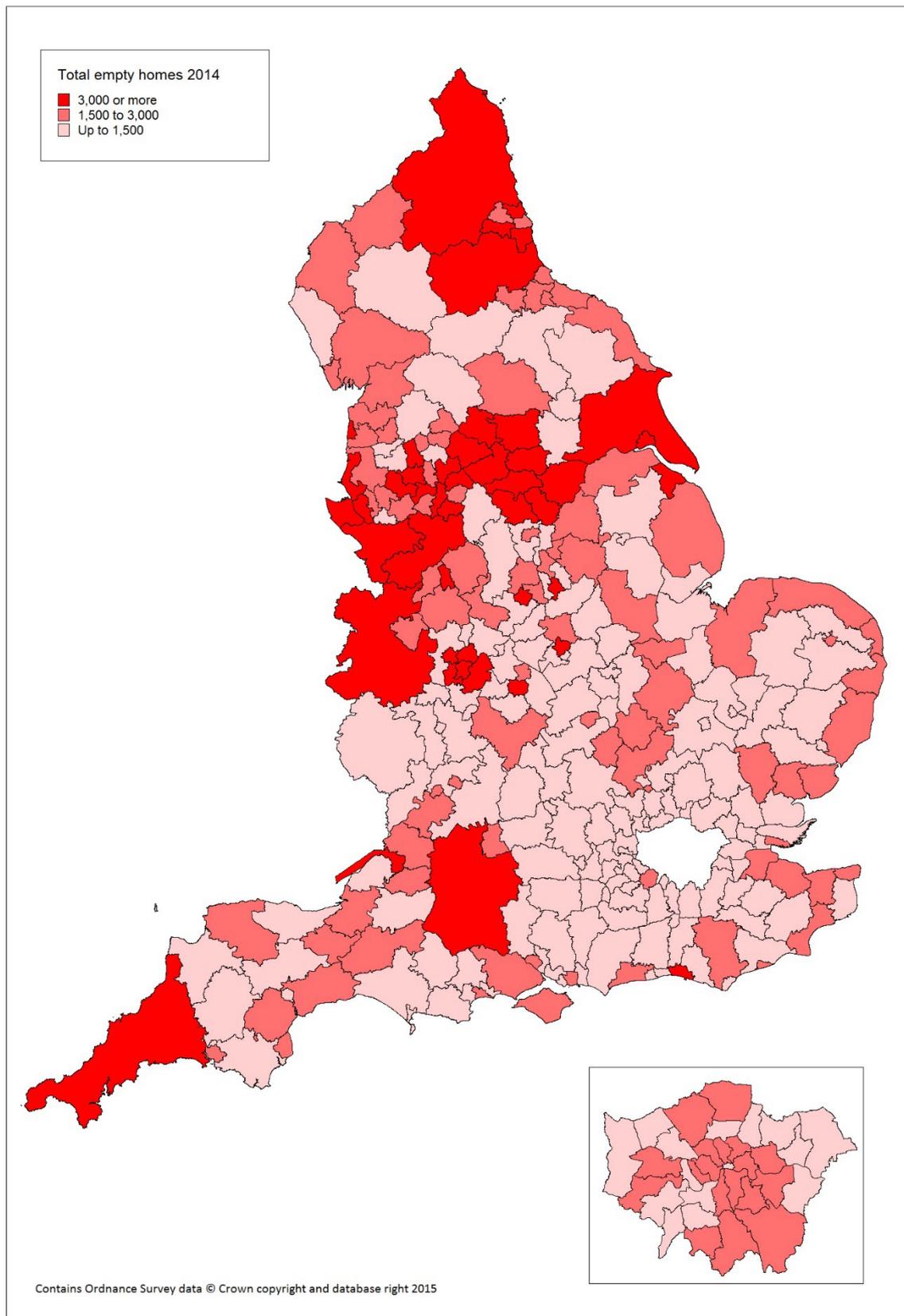
Where are the highest numbers of total empty properties and the highest proportions of dwellings empty?

Mapping the official statistics (see Map three) of the total number of empty homes recorded by local authorities, provides an insight into where there are the highest number of empty homes.

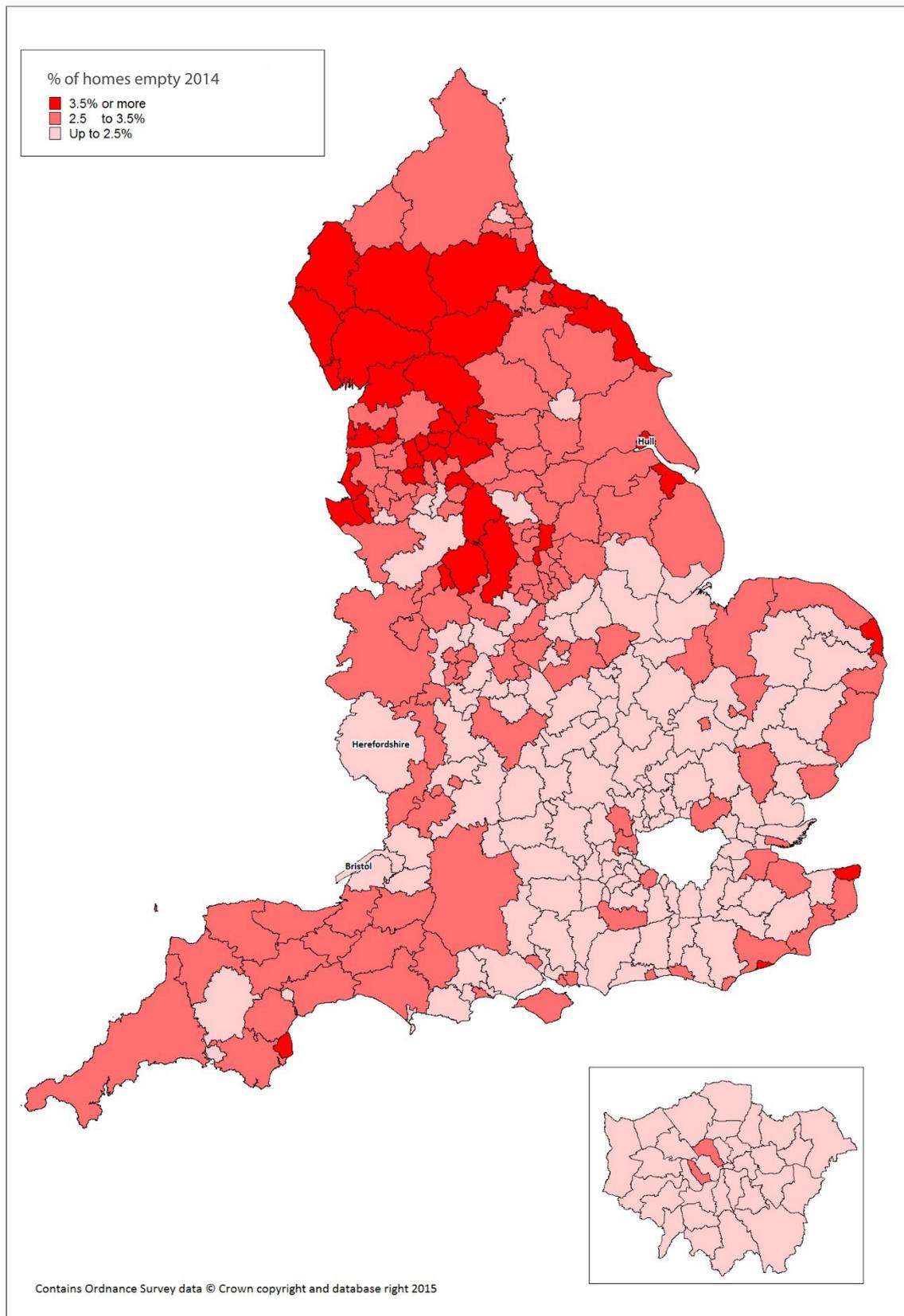
It is important to recognise that some of the areas with the largest numbers of total empty homes, do not have the highest proportions of their housing stock empty, as they are local authorities with a larger number of dwellings, including large cities or unitary authorities, which came about through the merger of a number of councils. For this reason, we took the official statistics on the total number of empty homes recorded in each local authority area and calculated the percentage of dwellings empty in that area. (See Appendix B for an explanation of the methodology used).

Mapping the results (see Map two) shows that local authorities with a higher proportion of dwellings empty, tend to be in the North, but also in some coastal places. Those with lowest proportion tend to be in more southerly locations, including London. However, not all local authorities in those areas fall into the category of those with the lowest proportion of their homes empty.

Map one: total number of empty homes by local authority



Map two: percentage of homes empty by local authority



The extent to which the percentages of dwellings empty are higher in the North can be seen when we collated the local authority level data on a regional basis (see Table one). All the Northern regions (North East, Yorkshire and Humber and North West) have a higher percentage of dwellings empty than the percentage for England as a whole. This is also true of the two Midland regions (East Midlands and West Midlands), though the percentage of their dwellings empty is closer to the overall level for England than any of the Northern regions. The East of England, the South East, South West and London all have lower percentages of dwellings recorded as empty than England as a whole. However, there are notable exceptions amongst local authorities in all these regions.

Table one: Number and percentage of dwellings empty by region

| Region | Number of dwellings | Number of dwellings empty | Percentage of dwellings empty |
|----------------------|---------------------|---------------------------|-------------------------------|
| North East | 1,196,943 | 40,708 | 3.40% |
| Yorkshire and Humber | 2,357,866 | 77,117 | 3.27% |
| North West | 3,193,675 | 109,485 | 3.43% |
| East Midlands | 2,014,514 | 55,737 | 2.77% |
| West Midlands | 2,413,862 | 63,991 | 2.65% |
| East of England | 2,590,719 | 58,197 | 2.25% |
| London | 3,470,247 | 56,715 | 1.63% |
| South East | 3,768,624 | 84,666 | 2.25% |
| South West | 2,457,713 | 63,507 | 2.58% |
| England | 23,464,163 | 610,123 | 2.60% |

For local authority level data from the official statistics of the total number of empty homes please visit:

<https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants> and click on table 615.

It is important when drawing on the local authority level statistics to take care to understand the methodology used to produce them (see Appendix A) and also not to leap to conclusions about what is happening in any one area. There may be specific factors that account for the number of empty homes in any one area. For example, high levels could be accounted for by high percentages of vacancies in a few housing developments. So it is best to use the data as a “can opener”, or a starting point for asking questions. Nonetheless, the geographical trends are interesting.

As we highlighted above, housing markets need some empty properties to function so you might expect many of the properties counted in the snapshot for the official statistics in October 2014 to have been brought back into use by now. At the same time, other properties occupied in October 2014 will have become vacant since then. The number of empty properties at any point in time shows a balance between these two flows. Turnover across tenures and how quickly properties are sold, or re-let, are factors accounting for differences between areas in the total number of empty homes. Differences in the total number of empty properties may also be accounted for by the extent to which an area has problematic long-term empty properties that are not being brought back into use by the market. We now turn to look at the issue of long-term empty homes.

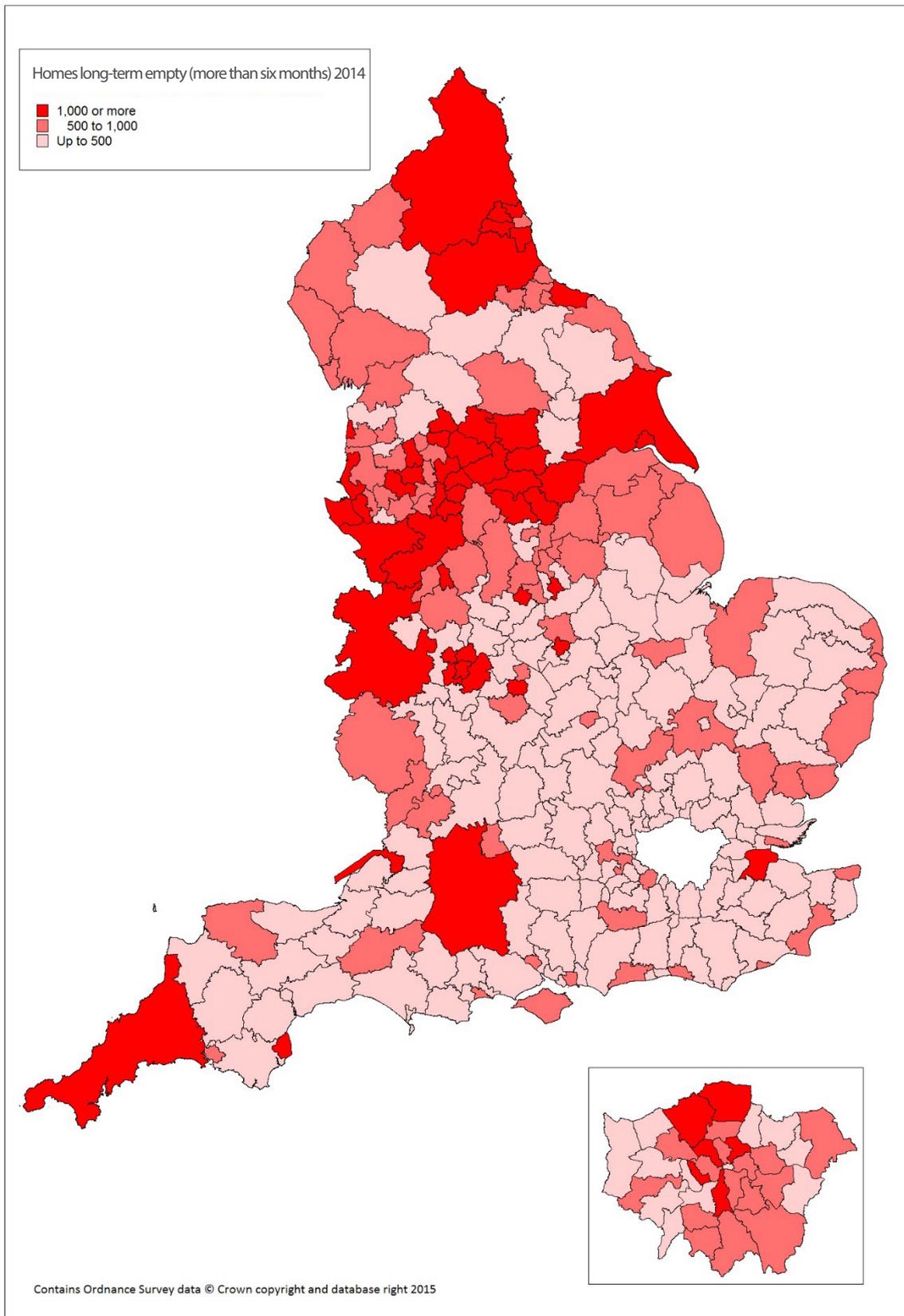
Where are the highest numbers of long-term empty properties and the highest proportions of dwellings empty for over six months?

Mapping the official statistics (see Map three) of the number of long-term empty homes by local authority, provides an insight into where there are the highest number of homes empty over six months.

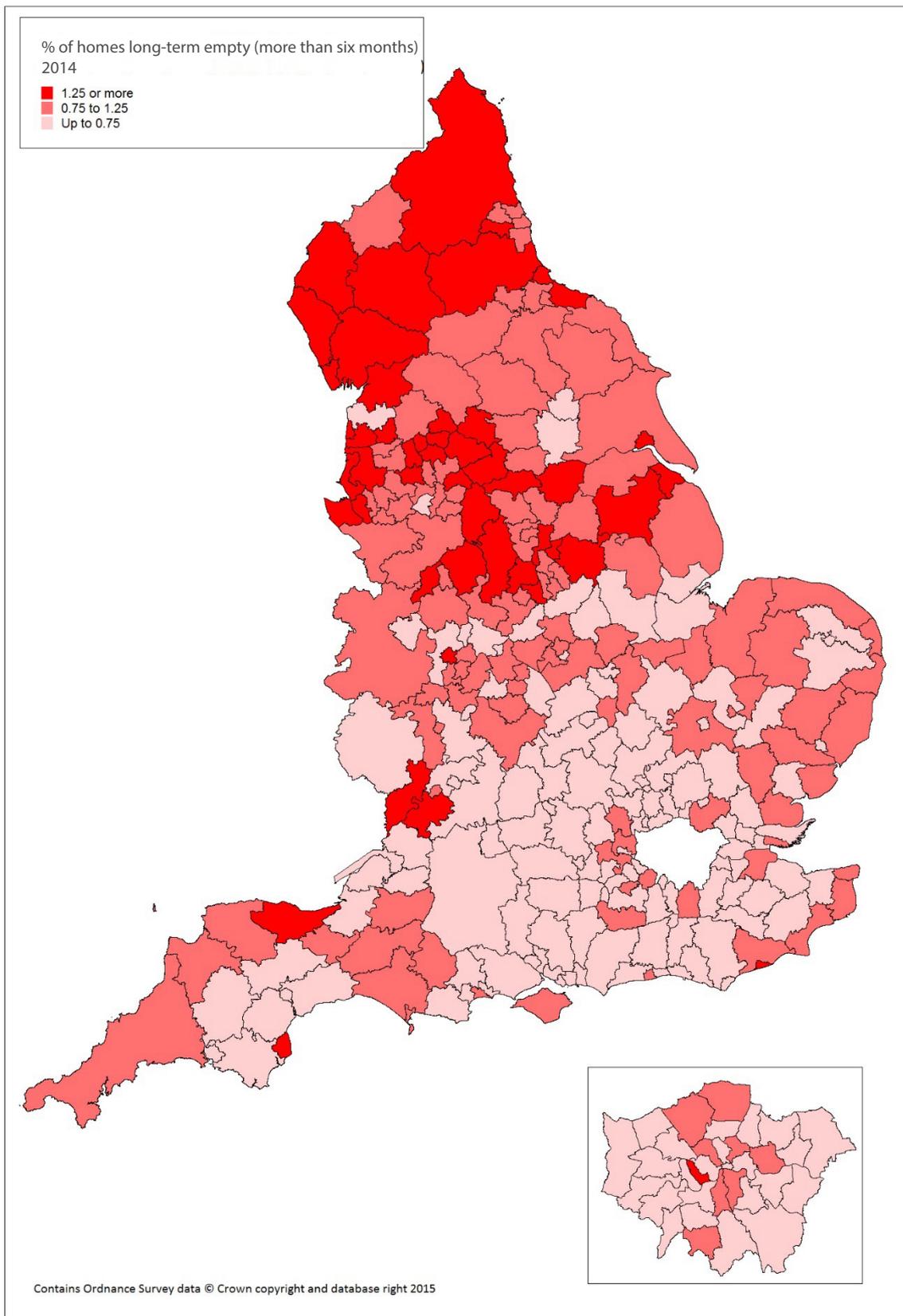
It is again important to recognise that some of the areas with the largest numbers of long-term empty homes do not have the highest proportions of their housing stock empty, as they are local authorities with a larger number of dwellings. Some of which are unitary authorities formed by the merger of a number of councils. So again, we took the official statistics on the number of long-term empty homes in each local authority area and calculated the percentage of dwellings empty in that area for over six months. (See Appendix C for an explanation of the methodology used).

Mapping the results (see Map four) shows that local authorities with a higher proportion of dwellings recorded empty for more than six months tend to be in the North, but there are some noticeable exceptions in southerly locations, including London.

Map three: number of long-term (more than six months) empty homes by local authority



Map four: percentage of homes long-term empty by local authority



The extent to which the percentages of dwellings long-term empty are higher in the North can be seen when we collated the local authority level data on a regional basis (see Table two). All the Northern regions (North East, Yorkshire and Humber and North West) have a higher percentages of dwellings recorded as long-term empty than the percentage for England as a whole. This is also true of the two Midland regions (East Midlands and West Midlands), though the percentage of their dwellings recorded as long-term empty is closer to the overall level for England than any of the Northern regions. The East of England, the South East, South West and London all have lower percentages of dwellings recorded as long-term empty than for England as a whole. However, there are notable exceptions in all these areas.

Table Two: Number and percentage of dwellings long-term (more than six months) empty by region

| Region | Number of dwellings | Number of dwellings recorded as long-term empty | Percentage of dwellings recorded as long-term empty |
|----------------------|---------------------|---|---|
| North East | 1,196,943 | 16,052 | 1.34% |
| Yorkshire and Humber | 2,357,866 | 27,058 | 1.15% |
| North West | 3,193,675 | 40,461 | 1.27% |
| East Midlands | 2,014,514 | 19,490 | 0.97% |
| West Midlands | 2,413,862 | 22,257 | 0.92% |
| East of England | 2,590,719 | 17,202 | 0.66% |
| London | 3,470,247 | 20,795 | 0.60% |
| South East | 3,768,624 | 23,956 | 0.64% |
| South West | 2,457,713 | 18,550 | 0.75% |
| England | 23,464,163 | 205,821 | 0.88% |

For local authority level data from the official statistics of the number of long-term empty homes please visit: <https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants> and click on table 615.

Again, care should be taken when drawing on the local authority level statistics to understand the methodology used to produce them (see Appendix A). And, also not to leap to conclusions about what is happening in any one area. There may be specific factors that account for the number of long-term empty homes in any one area. For example higher levels could be accounted for by what is happening in a few housing developments. So it is best to use the data as a starting point for asking questions and looking at what more could be done to ensure that homes are brought back into use quickly.

Do the official statistics give us the full picture?

The official statistics are probably an undercount of the number of empty homes, as they are dependent on local authorities knowing which individual dwellings are vacant. People do not always let their council know that there is no one living at the property on which they are expected to pay Council Tax. People have probably been less inclined to tell their local authority that their property is empty since the ending in April 2013 of the automatic Council Tax exemptions where a home was unoccupied and substantially unfurnished for up to six months or for up to twelve months if the property was having major repair works or structural alterations. There are still automatic short-term exemptions from Council Tax for some empty properties that apply across England, for example, there is an exemption for up to 6 months from the grant of probate. There are also long-term exemptions in some circumstances, for example if someone is in prison or a care home. Local authorities also have the discretion to apply a discount (the amount is up to them) on empty homes, but many give no automatic discounts for a property being empty, even in the short-term. In addition, since April 2013, local authorities can charge (with some exceptions)³ up to 50% extra Council Tax if a home has been empty for 2 years or more.

We campaigned for these changes to provide disincentives for homes being left empty, but we recognise that they are likely to have impacted on the reporting to local authorities and the collated official statistics of the number of vacant dwellings since April 2013. Also, the official statistics do not record those empty dwellings that have been removed from the Council Tax valuation list because they are derelict and uninhabitable.

There is also the issue that many properties that neighbours might say are empty are not recorded in those official empty homes statistics at all. Perhaps, because they are occupied for a few months a year, or occasionally at weekends, or during the working week. These properties could be said to be underutilised and it is understandable that people sometimes label them as empty. Figures on second home ownership may give some pointers to where underutilised properties are. Again, that is dependent on people telling their local authority that the dwelling is a second home. It could also be said that some second homes will be used more than others. However, that is a subject for another report.

Nonetheless, the official empty homes statistics are a good starting point for people to ask what is happening in their area. They also enable us to look at where there appear to be higher levels of empty homes, which is helpful when exploring what needs to happen to bring empty homes back into use. Moreover, even if there are just over 200,000 long-term empty homes, we consider that we cannot rest until the number is brought down further, so that the country is making the most of its existing housing assets to meet housing needs.

3. Unless, it an annex or you're in the armed forces.

Why are homes long-term empty?

Across England from talking to local authorities and property owners we have come to understand some common reasons why properties are empty for a long period of time:

- A landlord previously rented out a property and it now needs a lot of work before it can be let again and the landlord is unable to find the money to get the works done.
- Someone has inherited a property (perhaps jointly with another family member) and is unsure what is best to do: whether to sell, rent, or move into it.
- People have bought properties to do up and for a variety of reasons, including the pressure of other commitments and financial constraints, are taking a long time to complete the works or the works have stalled.
- People are holding a property empty anticipating a rise in its market value before seeking to sell it. Added to which, some people have unrealistic expectations of the price their property could fetch given the local market.

We reflect our understanding of why homes are empty across England in the recommendations we make below to ensure that more homes are created from empty properties.

Why are there higher concentrations of empty properties in some areas?

While there may be common reasons why properties become stuck empty across England, the official statistics show that there are higher levels of long-term empty homes in some areas. This suggests that there are other factors at play too.

Where housing markets are more buoyant you would expect properties to be more quickly sold, or let, and this is likely to account for some of the different levels of long-term empty properties across local authorities and regions. It certainly seems probable that the drop in the recorded number of long-term empty homes for England, as a whole, from a peak in 2008 of 326,954 to 205,821 in 2014⁴, may have been partly driven by an increase in market activity post the 2008 Financial Crisis.

In some areas there are also stronger price incentives for property owners to bring empty homes back into use. At the same time, it is easier in some markets for property owners to raise the finance for the required repair and improvement works to let the property out, or sell it for a refurbished price, on the back of the strength of the potential rental income or capital gain from sale.

Our analysis shows that overall there are higher percentages of long-term empty homes recorded in local authorities with lower house prices. Our analysis also shows a link between empty homes and areas with higher levels of multiple deprivation, or a long history of having high levels of empty homes. We explore these links in some depth below.

We also reflect our understanding of why there are higher concentrations of empty properties in some areas, in the recommendations we make below to ensure that more homes are created from empty dwellings.

Relationship between house prices and empty homes

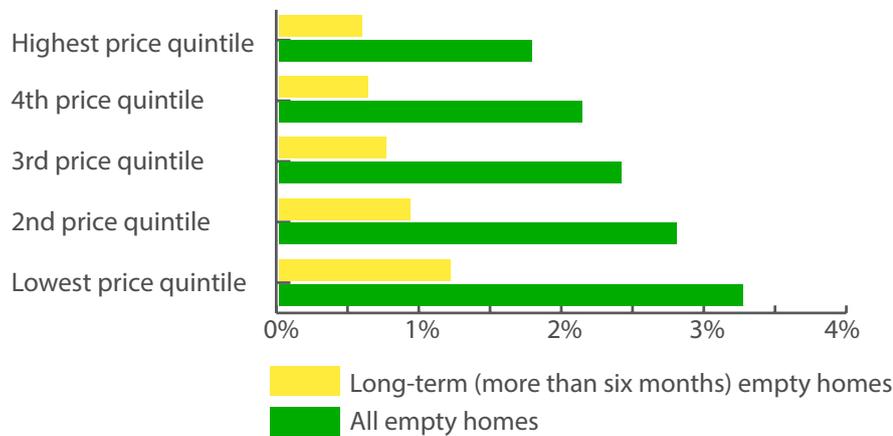
We commissioned research from Cobweb Consulting to explore the links between house prices and empty homes. By banding local authorities into five quintiles based on the median house prices in their local market, we show how empty homes and long-term empty homes relate to house prices (see Chart one below) (See Appendix D for an explanation of the methodology used).

4. <https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants>

Chart one shows how the lower the house price quintile the higher the percentage it has of homes that are empty and long-term empty. The lowest price grouping of local authorities shows 1.23% overall of homes long-term empty, compared to 0.60% in the grouping of local authorities in the highest house price quintile.

From discussions with local authorities, we would expect the link between low house prices and recorded long-term empty homes to be greater if we were able to analyse data at a neighbourhood level.

Chart one: % of homes empty by average house price quintile



Relationship between deprivation and empty homes

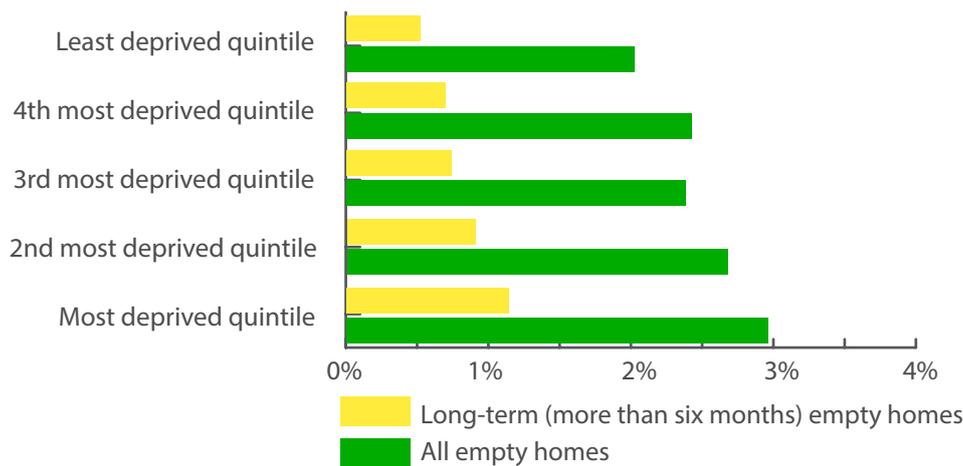
We also commissioned research from Cobweb Consulting to explore the links between deprivation and empty homes. By banding local authorities into five quintiles based on their overall Index of Multiple Deprivation (IMD) rank, we show how empty homes relate to deprivation (see Chart two below). (See Appendix E for an explanation of the methodology used).

Chart two shows how the higher the deprivation quintile the higher the percentage it has of homes that are long-term empty. The highest deprivation grouping of local authorities shows 1.12% overall of homes long-term empty, compared to 0.63% in the grouping of local authorities with the lowest overall levels of deprivation.

The relationship between deprivation and all empty homes is a little less straightforward, as the third most deprived quintile has a slightly lower percentage of homes empty than the fourth most deprived quintile. However, the most deprived grouping of local authorities shows 2.97% of homes recorded as empty compared to 2.09% in the grouping of local authorities with the lowest overall levels of deprivation.

From discussions with local authorities, we would expect the link between deprivation and recorded long-term empty homes to be greater if we were able to analyse data at a neighbourhood level.

Chart two: % of homes empty by deprivation quintile



A closer look at the ex-housing market renewal pathfinder areas

We also commissioned Cobweb Consulting to look at the level of empty properties in ex Housing Market Renewal Pathfinder (HMR Pathfinder) areas. In 2002 the then Government established the Housing Market Renewal programme which was a multi-million pound programme to tackle the problems “of neighbourhoods with acute low housing demand in the North of England and the Midlands. In such neighbourhoods the high concentrations of properties difficult to let or sell, the loss of population and the inability to attract new households had created a vicious circle of neighbourhood decline and deprivation”;

5. DEPARTMENT FOR COMMUNITIES AND LOCAL GOVERNMENT Housing Market Renewal, National Audit Office, 2007.

In April 2002 the then Government announced nine HMR Pathfinder areas:

1. Birmingham/Sandwell.
2. East Lancashire.
3. Hull and East Riding.
4. Manchester/Salford.
5. Merseyside.
6. Newcastle/Gateshead.
7. North Staffordshire.
8. Oldham/Rochdale.
9. South Yorkshire.

In addition Tees Valley operated as a HMR Pathfinder after 2005. Bringing the list to ten.

These ten HMR Pathfinder areas, covered 30 local authority areas. (See Appendix F for a list of local authorities that had all or part of their area within a HMR pathfinder area). It should be noted that the HMR Pathfinder areas did not neatly match local authority boundaries. For example, only parts of Manchester and Liverpool were covered. Whereas our analysis of empty homes relies on the official statistics available at the whole local authority level. Nonetheless, it is clear that in 2014 there were still significant levels of empty homes within authorities where HMR pathfinders operated. Six of the top ten local authorities with the highest proportions of homes empty in England are authorities in which HMR Pathfinders operated. This can also be said of four of the top ten with the highest proportion of homes long-term empty. (See Appendix G for an explanation of the methodology used).

The HMR Pathfinders ran until the incoming Coalition Government ended support for what had become to be seen as a controversial programme. The Coalition Government established the Clusters of Empty Homes Fund which set aside “up to £60 million to deal with the worst concentrations of poor quality, empty homes in low-demand areas”.⁶ This funding was available to local authority areas bringing a minimum of 100 homes back into use, within distinct neighbourhoods where over 10% of homes were empty and each cluster represents more than 25 empty homes.⁷

There are no national level statistics on where there are such concentrations of empty homes within council areas, as the national statistics are only available on a local authority wide basis. We have listed the bidders that were allocated funding under the clusters programme (see Appendix H for a list). Though this shows that there were high concentrations of empty homes within those areas, there are likely to have been other areas eligible for funding on the basis of having 10% of homes empty in one or more neighbourhood. Those other areas may not have bid, or may not have been successful in bidding.

Our recommendations look at the case for dedicated programmes to support those areas that continue to have high levels overall, or particular concentrations of long-term empty homes.

6. <https://www.gov.uk/government/collections/clusters-of-empty-homes-fund-guidance-and-allocation>

7. <https://www.gov.uk/government/publications/clusters-of-empty-homes-fund-bidding-guidance>

What else do we know about concentrations of long-term empty homes and what works in bringing them back into use

We know from talking to local authorities with high concentrations of empty homes that they are often in neighbourhoods that have one or more of the following features:

- A post war decline in the population (even if it has since stabilised or grown), often related to the decline of employment opportunities in traditional industries.
- Continued high turnover across tenures, often linked to the poor quality of housing on offer in the area and a perceived better quality of life and opportunities in other neighbourhoods.
- Concentrations of poor quality private rented sector accommodation that is often also poorly managed.
- A high proportion of absentee property owners, some of whom brought properties during past regeneration initiatives (such as HMR Pathfinders) and have held on to them in the hope of capital gains from property price rises, that they are yet to have realised.
- Lower property prices and rental values compared to the rest of the local authority area.
- A high proportion of property owners who cannot fund, or raise the finance required, to refurbish their empty properties. Perhaps, because of their own credit history, or because the value of the property, or rent that could be earned, is deemed to be too low relative to the investment finance required.
- Some properties that have been empty for a considerable number of years have fallen into such disrepair that they require significant amounts of works before they can be occupied again.⁸

This suggests that strategies to tackle concentrations of empty homes need to understand the local housing market and wider issues that those neighbourhoods face. The strategies need to tackle any backlog of properties that have stood empty for a very long-time (as much as ten or twenty years in some cases), as well as seek to reduce the turnover of those living in the area where this is also a current factor. This points to the importance of private sector improvement schemes that address the standard of housing and its management. This is not only important in addressing the concerns of current residents, but also helps to reduce the flow of newly empty properties.

9. It should be noted that many of these properties will have been removed from the Council Tax valuation list and not counted in the official empty homes statistics.

What works in tackling empty properties across England?

Action is needed to encourage and support owners of empty properties to sell their properties (whether before or after repairs and improvements), or refurbish them for the rental market. This often requires local authorities to undertake detailed case work with the individual property owners to understand their financial circumstances and help them to find a way to bring their property back into use. Some local authorities offer financial assistance through grants or loans. Progress also requires local authorities to be prepared to take enforcement action where individual property owners are not interested, or able, to take action to bring their empty property back into use.⁹ We do not suggest that such action is taken lightly, but recognise the importance of enforcement action where empty properties are a blight on the neighbourhood, or holding back a drive to improve an area and meet housing needs.

One option is for property owners to agree to lease or sell their property to local authorities, housing associations and community organisations who can finance the refurbishment works. The organisations leading this work tell us that there is no shortage of people in housing need who want to move into these properties once they are refurbished. This is not surprising given that so many people are priced out of decent housing across England.¹⁰ There appears to be plenty of demand for affordable refurbished properties, even in areas that were once labelled as “low demand”. This has been shown to be the case in neighbourhoods with relatively low house prices compared to the English average, as there are still many people on low incomes who struggle to find decent housing to rent or buy in those areas.

In addition, action is needed in areas with high concentrations of empty properties to encourage people to move back to buy homes within these areas. There have been some recent successful schemes where local authorities and housing associations have attracted people through discounted sale schemes, for example in Stoke¹¹ and Liverpool¹².

Strategies to tackle concentrations of long-term empty properties are often part of wider neighbourhood improvement schemes, led by local authorities, which aim to boost the local economy and employment opportunities, as well as enhance the local facilities and environment. These schemes are not only a good thing in themselves, but also give people faith that other people might wish to move into the area, or choose to stay for longer. Neighbourhood based improvement schemes help ensure that people see an area as a good place to set up home, raise a family, or retire. They can give people the faith to move into streets that have been abandoned for many years to improve their housing circumstances and enjoy other aspects of life there.

9. Local authorities have powers to take over the management and compulsory purchase empty properties in some circumstances.

10. http://england.shelter.org.uk/professional_resources/policy_and_research/policy_library/policy_library_folder/report_affordability_for_first_time_buyer

11. <http://www.stoke.gov.uk/ccm/content/council-and-democracy/communications/2015-press-releases/05-may-2015-folder/105-2015.en>

12. <http://liverpool.gov.uk/homesforapound>

Buy-to leave

In recent years there have been a number of media and other reports of properties being bought primarily for their investment returns and then left empty, particularly in neighbourhoods with high and rising property values. This has commonly become known as “buy-to-leave”. It is not possible to draw a comprehensive picture of this complex phenomenon from the official empty homes statistics. Not least because, as we noted above, many of the properties that people may think should be counted as buy-to-leave are not recorded as empty in the official statistics. Either because they are occupied for part of the time and therefore not classified as empty or because they are not reported to the local authority as empty. In addition, the official statistics do not tell us why properties are empty.

There have been some local studies that have sought to examine the extent of buy-to leave.^{13,14} This suggests, at the very least, there is a case for more comprehensive studies into the extent to which buy-to-leave goes on and its impact on the ability of people to access the housing they need, at the price they can afford. There is a case for looking at two aspects of this:

- Buy-to-leave completely empty.
- Buy-to-hardly ever stay there.

As a small charitable organisation we do not have the resources to conduct the comprehensive scale of research needed, but hope to encourage others to do so and reflect this in our recommendations below. We are interested in working with others to develop a methodology that could be used in different areas to build up a more comprehensive picture.

13. <http://democracy.islington.gov.uk/documents/s4988/Appendix%201%20-%20Preventing%20Wasted%20Housing%20Supply%20SPD%20July%202015.pdf>

14. The Prime Residential Market in Westminster, Prepared for Westminster City By RAMIDUS CONSULTING, Date: 12th February 2014

What is happening over time?

The official statistics on empty homes for England show that the recorded figures for the total number of empty homes peaked in 2008 at 783,119 and have dropped every year since to 610,123 by 2014. This is an overall reduction of 172,996 in the total number of empty properties between the snapshots taken in 2008 and 2014¹⁵.

The official statistics on long-term empty homes also record a drop from a peak in 2008 at 326,954 to 205,821 by 2014¹⁶. This is an overall reduction of 121,133 between the snapshots taken in those two years of the number of long-term empty properties.

In 2014 official statistics suggests 2.6% of dwellings were recorded as empty homes, compared to 3.5% in 2008: a 0.90% reduction. While 0.88% of the stock was recorded as long term empty in 2014, compared to 1.35% in 2008: a 0.47% reduction. This takes into account the increasing overall number of dwellings in England over that time. (See Appendix I for an explanation of the methodology used).

These trends are probably a combination of a number of factors:

- Housing market transactions picking up after the Financial Crisis in 2008.
- Initiatives of the past two Government to bring empty homes back into use across England.
- Action by local authorities, community organisations, housing associations and others to bring empty properties back into use.
- Incentives for local authorities to reduce the number of long-term empty homes in their area through New Homes Bonus payments.
- The removal of incentives for people to tell their local authority that their property is empty.

15. <https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants>

16. *ibid*

What do the public think?

The public think that empty homes are a blight on their local area and want both central and local government to do more, as shown by the polling we commissioned with the Halifax, from ComRes, in December 2014 that demonstrated that:

- More than three quarters of British adults (78%) think the Government should place a higher priority on tackling empty homes.
- Nearly three quarters of British adults (74%) believe their local authority should place a higher priority on tackling empty homes; with
- Over a third (36%) saying empty homes are a blight on their local

Recommendations - what needs to happen to bring more empty homes back into use?

From our understanding of the pattern of empty homes across different housing markets and what works in bringing them back into use, we suggest the following needs to happen to see more new homes created from long-term empty properties.

- 1 Local authorities (as many do already) should have an empty homes strategy for their area, with aspirations to reduce the number of long-term empty homes and to attract and allocate resources to refurbish empty properties for those in housing need. Local authorities should work in partnership with property owners, housing associations and community organisations to realise their plan.
- 2 Local authorities should (as many do already) take a case work approach with owners of empty properties to encourage, advise and support them to bring their homes back into use. Dedicated empty homes staff are a good way of ensuring that the council can act on information about empty homes and build up expertise in working with the owners, including in taking enforcement action where necessary.
- 3 Central Government should re-establish dedicated grant funding programmes¹⁷ to support local authorities, housing associations and community organisations to bring empty homes back into use as affordable housing across England. By investing about £450 million, an additional 20,000 affordable homes could be created from long-term empty properties by 2020.
- 4 Central Government should re-establish dedicated support¹⁸ for local authorities in areas with high concentrations of empty properties and this should extend neighbourhood regeneration approaches which reduce the number of long-term empty properties and bring wider area improvements.
- 5 Local authorities with high concentrations of empty properties should explore how best to attract people back into these neighbourhoods, including by transferring streets of abandoned properties to community organisations to refurbish and rent them out to people in housing need; or selling homes below their market value to provide opportunities for people who would not otherwise be able to afford to buy the housing they need in the local housing market.
- 6 The Mayor of London and local authorities in high value areas, should conduct studies to understand the extent and impact of buy-to-leave and review what measures they could adopt to incentivise people to bring those properties to the market for sale or rent; and to deter people in the first place, from buying properties primarily for their capital appreciation, rather than as a home to live in or rent out. Central Government should look at the case for supporting additional measures to deter buy-to-leave that may require legislation at a national level.

17. Government funded dedicated empty homes grant programmes came to an end in March 2015.

18. Government funding for dedicated empty homes grant programmes, including the Cluster of Empty Homes Programme came to an end in March 2015.

Appendix A - Methodology Government used for producing statistics on the total number of vacant dwellings and long-term vacant dwellings for 2014

Total number of vacant dwellings

To arrive at the total number of vacant dwellings for each local authority area in 2014, the Government used the Council Taxbase data returned by each local authority and summed for each local authority¹⁹ area those homes that were classed, on the 6th October 2014, as empty that were charged Council Tax and those homes that were classed as empty and exempt from Council Tax in the following exemption classes:

- B** – Unoccupied dwellings owned by a charity (up to six months)
- D** – Unoccupied because person detained (e.g. prison)
- E** – Unoccupied and previously the sole / main home of someone moved into care home or hospital
- F** – Unoccupied because the resident is deceased
- G** – Unoccupied because prohibited by law
- H** – Unoccupied clergy dwellings
- I** – Unoccupied because the sole owner / tenants has moved out to receive care
- J** – Unoccupied because the sole owner / tenant has moved out to give care to another
- K** – Unoccupied where the owner is a student who last lived in the dwelling as their main home
- L** – Unoccupied dwelling taken into possession by a mortgage lender
- Q** – An unoccupied dwelling where the person who would otherwise be liable is a trustee in bankruptcy.

The total number of vacant dwellings for England is the sum of those calculated for each local authority.

Total number of long-term vacant dwellings

To arrive at the number of long-term vacant dwellings for each local authority²¹ area, the Government used the Council Taxbase data returned by each local authority and summed for each local authority area those homes that were classed on the 6th October 2014 as empty for more than six months and charged Council Tax minus those that were empty because of flooding between 1st December 2013 and 31 March 2014 and minus those that were empty for more than six months that were undergoing major repairs or alterations.

20. <https://www.gov.uk/government/statistics/council-taxbase-2014-in-england>

Ibid

Appendix B – Methodology Empty Homes used to calculate the percentage of dwellings empty in an area

We took the official statistics on the total number of vacant dwellings recorded in each local authority area (see Appendix A) and calculated that as a percentage of dwellings in that area as per each local authority's Council Taxbase return to Government. We took the dwelling figure to be the total number of properties on the valuation list for each local authority minus the number of demolished dwellings recorded for each area on 6th October 2014²¹.

This analysis was commissioned by Empty Homes from Cobweb Consulting.

Appendix C – Methodology Empty Homes used to calculate the percentage of dwellings long-term empty in an area

We took the official statistics on the total number of long-term vacant dwellings recorded in each local authority area (see Appendix A) and calculated that as a percentage of dwellings in that area as per each local authority's Council Taxbase return to Government. We took the dwelling figure to be the total number of properties on the valuation list for each local authority minus the number of demolished dwellings recorded for each area on 6th October 2014.

This analysis was commissioned by Empty Homes from Cobweb Consulting.

Appendix D – Methodology Empty Homes used to explore the relationship between house prices and total number of empty homes and long-term empty homes.

We banded each local authority into one of five quintiles based on the median house prices in their local market from the highest priced quintile to the lowest priced quintile. The house price data was taken from DCLG 2012 data (in turn based on Land Registry price paid data) from 2012.

We then added the official statistics on the total number of empty homes and long-term empty homes (see Appendix A) for all the local authorities in each of those quintiles. We then calculated the percentage of homes empty and long-term empty homes in each of those quintiles.

This analysis was commissioned by Empty Homes from Cobweb Consulting.

Appendix E– Methodology Empty Homes used to explore the relationship between deprivation and total number of empty homes and long-term empty homes.

We banded each local authority into one of five quintiles based on their average score using all elements of the Index of Multiple Deprivation (IMD) from the highest being the grouping of the least deprived local authorities on that basis, to the lowest being the grouping of the most deprived local authorities on that basis.

We then added the official statistics on the total number of empty homes and long-term empty homes (see Appendix A) for all the local authorities in each of those quintiles. We then calculated the percentage of homes empty and long-term empty homes in each of those quintiles.

This analysis was commissioned by Empty Homes from Cobweb Consulting.

21. <https://www.gov.uk/government/statistics/council-taxbase-2014-in-england>

22. <https://www.gov.uk/government/statistics/council-taxbase-2014-in-england>

Appendix F – Local authorities that were wholly or partially within the Housing Market Renewal Pathfinder Areas

1. Barnsley
2. Birmingham
3. Blackburn with Darwen Unitary Authority (UA)
4. Burnley
5. Darlington UA
6. Doncaster
7. East Riding of Yorkshire UA
8. Gateshead
9. Hartlepool UA
10. Hyndburn
11. Kingston upon Hull UA
12. Liverpool
13. Manchester
14. Middlesbrough UA
15. Newcastle upon Tyne
16. Newcastle-under-Lyme
17. Oldham
18. Pendle
19. Redcar & Cleveland UA
20. Rochdale
21. Rossendale
22. Rotherham
23. Salford
24. Sandwell
25. Sefton
26. Sheffield
27. Staffordshire Moorlands
28. Stockton-on-Tees UA
29. Stoke-on-Trent UA
30. Wirral

This list was compiled for Empty Homes by Cobweb Consulting.

Appendix G – Relationship between number of empty homes and ex HMR Pathfinder areas

We listed the top ten local authorities with the highest proportion and numbers of empty homes in England (in accordance with the methodology we used in Appendix B and compared that to the list of local authorities that had been wholly or partially with HMR pathfinder areas (from Appendix F).

We also listed the top ten local authorities with the highest proportion and numbers of long-term empty homes in England (in accordance with the methodology we used in C) and compared that to the list of local authorities that had been wholly or partially with HMR pathfinder areas (see Appendix F).

This list was compiled for Empty Homes by Cobweb Consulting.

Appendix H – Successful bidders allocated funding through the Clusters of Empty Homes Fund²³

| | |
|--|---|
| Allerdale Borough Council (Cumbria) | Kirklees Council |
| Barnsley MBC | Lancaster City Council |
| Barrow-in-Furness Borough Council | Liverpool City Region (on behalf of Restore Consortium) |
| Blackburn-with-Darwen Council (Pennine Lancashire) | Middlesborough Council |
| Blackpool Borough Council | Newcastle City Council |
| Calderdale MBC | Stoke-on-Trent City Council |
| Durham County Council | Sunderland City Council |
| Greater Manchester Combined Authority | Tendring District Council |
| Hartlepool borough Council | Thanet District Council |
| Hull City Council | West Lindsey District Council |

The list is compiled from the Government's -online list of Clusters of Empty Homes Fund: allocations which names the successful bidders receiving allocations and can be seen at: <https://www.gov.uk/government/publications/clusters-of-empty-homes-fund-allocation>

Appendix 1

We took the official statistics on total vacant dwellings and long-term vacant dwellings over time, If drawing on the data, we recommend reading the notes accompanying the official statistics²⁴ as the sources for the data on vacant dwellings changed through time²⁵.

We then took the official statistics on the total number of vacant dwellings and long-term vacant dwellings and calculated that as a percentage of dwellings in that area as per official statistics on dwellings in Government Tables 109 and 110²⁶. If drawing on the data, we recommend reading the notes accompanying the official statistics as the sources for the data on vacant dwellings and dwellings changed through time²⁷.

23. <https://www.gov.uk/government/publications/clusters-of-empty-homes-fund-allocations>

24. <https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants>

25. Ibid

26. <https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants>

27. Ibid

For more information on the work of Empty Homes-the national campaigning charity visit: www.emptyhomes.com.

This report was written by Helen Williams of Empty Homes, with additional analysis from Danny Friedman of Cobweb Consulting.

