

empty homes in england 2019

Action on
**empty
homes**



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Introduction

What is most striking about our latest annual examination of trends in empty homes, Empty Homes in England 2019, is that numbers have grown across the nation, in both high and low value areas. Numbers of wasted empty properties are growing in two thirds of all local authorities.

This means we see high levels of empty property starting to emerge in areas where this corresponds to very high levels of housing demand, as well as in areas where we have grown used to seeing large amounts of under-utilized property. According to official statistics, there are now over 216,000 long-term empty homes in England.¹

2018 saw not only the second year on year rise in long-term empty homes but also the fastest rise in numbers since the financial crisis of a decade ago. In the context of a widely acknowledged national housing crisis, this recent increase has drawn attention and concern from many quarters.

In the 2017 General Election, the housing crisis moved into the top five issues for voters in many surveys. Our 2018 ComRes survey of MPs showed overwhelming cross-party support for greater action on empty homes. In 2019, there is no sign of concern abating, alongside widespread reports of families being housed in tiny units within redeveloped office blocks and even in converted shipping containers.

Empty homes across England can help meet urgent local housing needs through community-led and local government supported action; but critically, this can only happen with the backing of targeted national investment. This is an opportunity to invest to save for both national and local government. Potential savings include reducing Temporary Accommodation costs, saving on housing benefit spent in the private rented sector, and reducing the social and economic costs of the poor health, educational and family outcomes associated with living in poor quality and insecure accommodation.

Only with significant investment targeted at bringing more homes into use can we end the waste of empty homes and increase the

supply of genuinely affordable housing. In the process, community-led regeneration approaches can provide work and training for local people and opportunities for skills development. This, in turn, will help to deliver overall improvements in health and well-being and economic resilience, through rebuilding the social and economic infrastructure in the areas of England sometimes described as 'left behind', but which Action on Empty Homes identify as suffering from under-investment.

We hope this report will motivate policy-makers to see our national stock of long-term empty homes as an opportunity as much as a growing problem. We also hope that alongside our other two 2019 publications: *'Community Action on Empty Homes: using empty homes to regenerate communities'* and *'How empty homes can help solve the housing crisis'*, this Report will support and inform national and local conversations about collaboration with communities to turn empty homes into a valuable housing resource.

Tom Crowley,
Chair, Action on Empty Homes



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Summary: Highlights and key issues

In 2018 we saw confirmation that long-term empty homes' numbers are rising significantly. The rise of 5.3%, nearly 11,000 additional long-term empty homes, was double the increase in 2017.

Two thirds of England's local authorities saw numbers rise, in half of these by over 10% and in more than one in ten authorities the rise was 30% or more.

This has occurred in the context of the introduction from April 2019 of new higher Council Tax premiums for two-year empties with higher punitive premiums for five and ten year empties to follow in 2020 and 2021.

The rise was weighted towards areas which previously had a lower number of long-term empties, notably London, the South East and Eastern regions.

Over 70% of the authorities demonstrating rises of 30% or more are in these three regions.

This may reflect three factors: a slowing housing market battered by pre-Brexit jitters, reducing transaction levels, the ending of dedicated funding programmes for bringing empty homes into use, and it may be fed by some unsold or unaffordable newbuild empties.

Despite the eye-catching rises in London (up 11%), the South East (up 9%) and the East (up 11%), the highest regional occurrence of empty homes is still in the North East where one in every 72 homes is long-term empty.

The largest regional number of empty homes, around 40,000, is in the North West.

All the country's regions experienced rising numbers of empties in 2018, except the North East which fell by 1%.

Looking at the data by Council Tax band, all regions demonstrate the highest occurrence of empty homes in the top and bottom Council Tax bands.



Two thirds of local authorities saw numbers rise, in half of these the rise was over 10% and in more than one in ten authorities the rise was 30% or more





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Nationally, nearly 90,000 long-term empty homes are in the bottom Council Tax band, while only 1,933 are in the top Council Tax band, less than 1% of the total.

The top two Council Tax bands account for less than 4% of long-term empties. The bottom two bands include 60%.

Long-term empties are more likely to be smaller and lower value properties. Where these are concentrated, local housing markets can become distorted by levels of empties and low owner occupancy. Private rented sector homes dominate supply and low-income tenants with poor housing choices can be concentrated into such areas.

This Report divides the occurrence of empties into concentrations, clusters and 'bad teeth': all have negative impacts on neighbouring properties and the wider locality. All can place a disproportionate cost burden on local services as magnets for crime and vandalism. All but the best maintained long-term empty homes suck in enforcement and remediation resources from

local budgets. All impact negatively on local housing supply.

While action is required at a community regeneration level in areas with high levels of empty homes and requires Government investment, it is important to realise that nearly 60% of all England's empty homes are in local authorities with low or medium occurrence levels (1% or below) – so this is everyone's problem and everyone's opportunity.

Action on Empty Homes (AEH) advocate action in all areas, led by local authorities, and believe local councils require both new powers and new investment. This is because we believe that the empty homes opportunity is best exploited through partnerships between communities and local authorities. AEH also believes bringing empty homes into use is important for all authorities and there should be a dedicated empty homes role in each authority.

This year we also looked at so-called 'second homes' in the Government data. This category contains 252,000 homes with no permanent resident.



Local council officers report that many 'second homes' are unused, some approaching dereliction, and many are owned by absentee owners who hold multiple unused second homes.

We believe the 'second home' category is poorly defined, inconsistently applied (with one London authority no longer submitting data on this) and facilitates property hoarding for wealth storage, as well as tax evasion and money laundering. It also restricts housing supply. The definition should, therefore, be reformed.

In this context, we advocate the adoption of a national property register recording property ownership, usage and current status (occupied, empty or short-term let/holiday home). This should be linked to a national landlord register, first proposed by Government as long ago as 2009 but never introduced.

“ This Report divides the occurrence of empties into concentrations, clusters and 'bad teeth': all impact negatively on local housing supply ”

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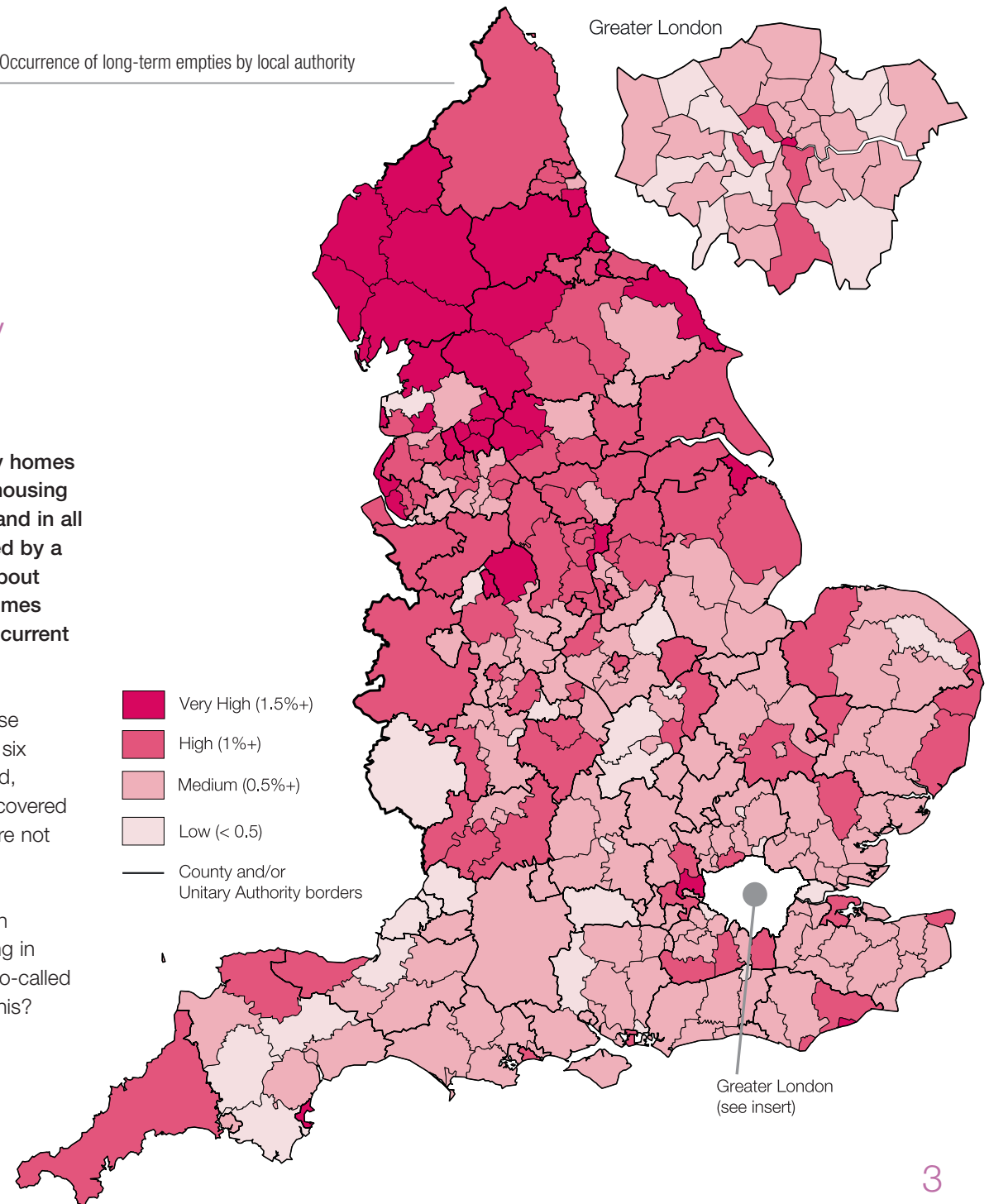
Here, there and everywhere – the distribution of empty homes in England

Across England, long-term empty homes (LTEH) exist in all sectors of the housing market, in all Council Tax bands and in all regions. But distribution is skewed by a variety of factors. Each tells us about different aspects of the empty homes issue and offers insights into the current housing crisis.

Long-term vacant dwellings are those classified as having been empty for six months, and which are not furnished, excluding most of those which are covered by an exemption class and which are not classified as 'second homes'.

Action on Empty Homes (AEH) often describes empty homes as occurring in concentrations, in clusters and as so-called 'bad teeth'. What do we mean by this?

Map 1: Occurrence of long-term empties by local authority



“ The impact of clusters of empty homes is seen in high costs for local service providers and local authorities ”



Concentrations, clusters and bad teeth

Concentrations:

We use the term concentrations to reflect areas where as many as one house in ten and at least one in 50 may be long-term empty. These are areas where the problem of residualisation has reached a local tipping point. These communities are damaged by the way the local housing market operates and restricts housing choices, and by the negative impact of the large numbers of empty properties.

Such areas demonstrate particular characteristics: house prices and incomes are lower than average and deprivation is more prevalent. In terms of tenure mix, these areas have become disproportionately dominated by low quality private rented sector accommodation. Extensive research



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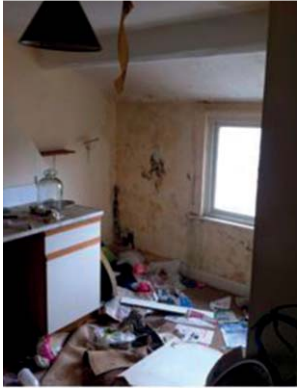
with local authorities reported in *‘Empty Homes: Why do some areas have high levels?’* (2016)² reveals that these areas are no longer areas of housing choice. Housing demand from owner-occupiers is low, leading Government to inaccurately describe such housing markets as ‘low demand’, despite high levels of housing need, including high demand for social housing.

In such areas, housing sales transactions often occur through auction rather than via local agents. Many purchasers are absentee investors and portfolio landlords. As a result, private sector landlords operating a low investment ‘hands-off’ management model, aimed particularly at low income, often welfare benefit-supported, tenants, can come to dominate local housing supply.

Several of the community-led housing projects with which AEH worked during our three year ‘Community-based solutions’ project³ emerged in such areas, as local responses to this type of situation. In such communities, where housing ownership has become dominated by absentee landlords, these are attempts by communities to reassert control over local housing stock to benefit their community. They aim to reduce vacancy (empty home) rates, improve housing quality through investment, and increase the supply of well-managed affordable housing.

A notable example is North Ormesby Community Land Trust (NOCLT) and its parent organisation North Ormesby Neighbourhood Development Trust. To deliver better quality housing options for local people in housing need, NOCLT purchases and renovates empty property in their neighbourhood. In addition, NOCLT operates a social letting agency, with the aim of improving standards of housing and housing management in the local private rented sector (PRS). Some commentators have described this as ‘rebuilding the private rented sector from within’.

Other organisations dealing with similar issues include long-established West Hull project Girescope, Methodist Action North West in Lancashire, Canopy Housing in Leeds and Community Campus in Stockton. Across the country, many other similar organisations are striving to turn around the quality of housing and the local environment in areas facing similar challenges. Our document *‘How Empty Homes can help solve the Housing Crisis’* (2019)⁴ includes material gathered through research hearings with tenants in such areas.



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Clusters:

We use the term clusters to reflect a neighbourhood of residualised housing similar to those described above but potentially within a wider local housing economy which may not exhibit high levels of long-term empty homes. In many cases, these reflect an estate, block or development with a high level of empties which is distinct from surrounding housing areas in terms of the type of housing and typical patterns of ownership and tenure. Such housing clusters may be distinct in terms of their date of construction and comprised of housing broadly untypical of the wider local area. Examples include ex-MOD housing sold off to the private sector, and estates of terraced housing constructed to house the workforces of particular industries, often in the late nineteenth and early twentieth centuries.

Rotherham and Doncaster, for example, feature examples of ex-military or armaments industry estates, as did Canterbury until 2018, when the last significant ex-MOD example (Howe Barracks) was sold to Redbridge Council for use as out-of-borough temporary accommodation. Other clusters around the country often feature areas of

pre-1919 terraced housing. Former National Coal Board housing in the Midlands and North East, sometimes transferred to private landlords in large block sales, provides further similar examples.

The impact of clusters of empty homes is seen in high costs for local service providers including fire services, police and local authorities, who may be called upon to respond to issues of vandalism, arson and lack of maintenance, which impact upon the safety of public highways, paths and neighbouring properties.

'Bad Teeth':

The phrase 'bad teeth' is used to describe long-term empty homes which sit alone on otherwise unremarkable urban, suburban or town streets, and in rural areas, featuring high levels of owner-occupation. These are often relatively valuable detached or semi-detached properties in the middle Council Tax bands. It is important to understand that such property may make up as much as a third of all long-term empty homes in England.

Nationally, around a third of all reported empty homes in England are in Council Tax Bands C, D and E; with a further 4% in Council Tax Band F.

Homes such as these may have become empty following inheritance by relatives who live outside the local area, or who simply lack the time, resources or capability to bring the home back to use. Local authorities cite the absence of availability of home improvement grants as a factor in the prevalence of such cases, and personal factors such as family disputes, mental illness and physical ill-health, including diseases associated with ageing populations, notably dementia.

Empty homes such as these can have a significant negative impact on neighbouring properties' value and sale-ability because of poor maintenance of the homes physical structure and boundaries, including un-maintained hedges, overgrown gardens and trees growing on and around the property. By becoming magnets for vandalism and criminal behaviour, they can also create high costs for local service providers.

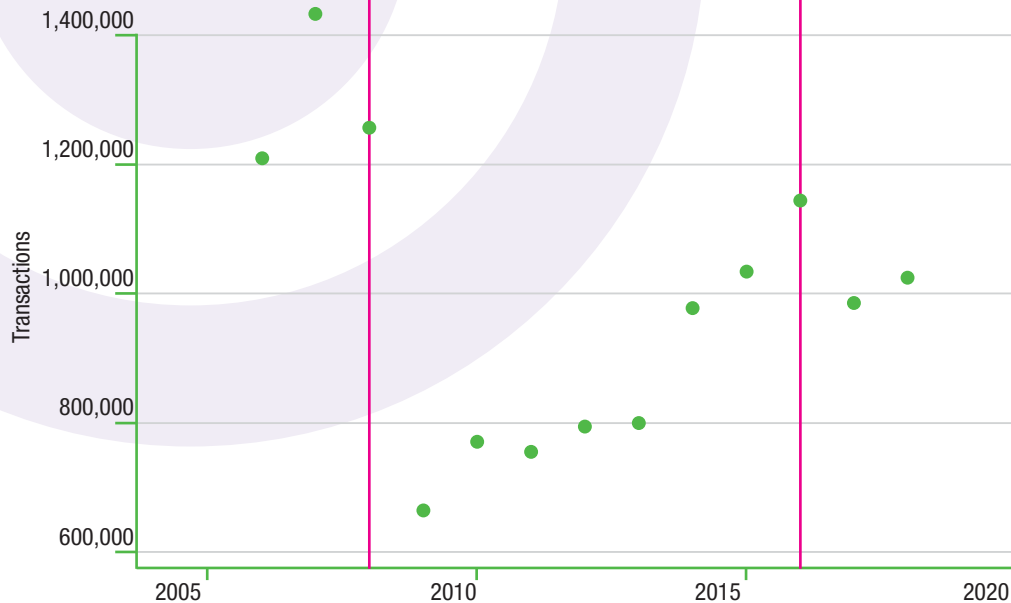
“ The impact of clusters of empty homes is seen in high costs for local service providers and local authorities ”



3

The recent rise in long-term empty homes numbers

Graph 1: Property Transactions in England 2004-2018



In 2018, long-term empty homes numbers rose for the second consecutive year. From 2008 to 2016, the long-term trend had been for the number of empty homes to fall. However, since 2016 the numbers have begun to rise again, at an increasing rate.

The fall from 2008 has been attributed to three factors: the controversial Housing Market Renewal Programme running to 2011 which demolished many terraced homes with high vacancy rates, the £216m allocated by the Coalition Government to its Empty Homes Clusters Programme and Empty Homes Community Grants Programme between 2012 and 2015 and the introduction in 2013 of council tax premiums on long-term empties.

2017 saw the first rise in the numbers of empty homes across England since 2008, from 200,000 to 205,000, a 2.6% rise. In 2018 numbers rose by another 10,983 or 5.3%,⁵ more than double the rise in the previous year. A second consecutive year witnessing a substantial rise in numbers of

long-term empty homes in England may indicate a significant turnaround in patterns of occurrence. There are three possible reasons for this:

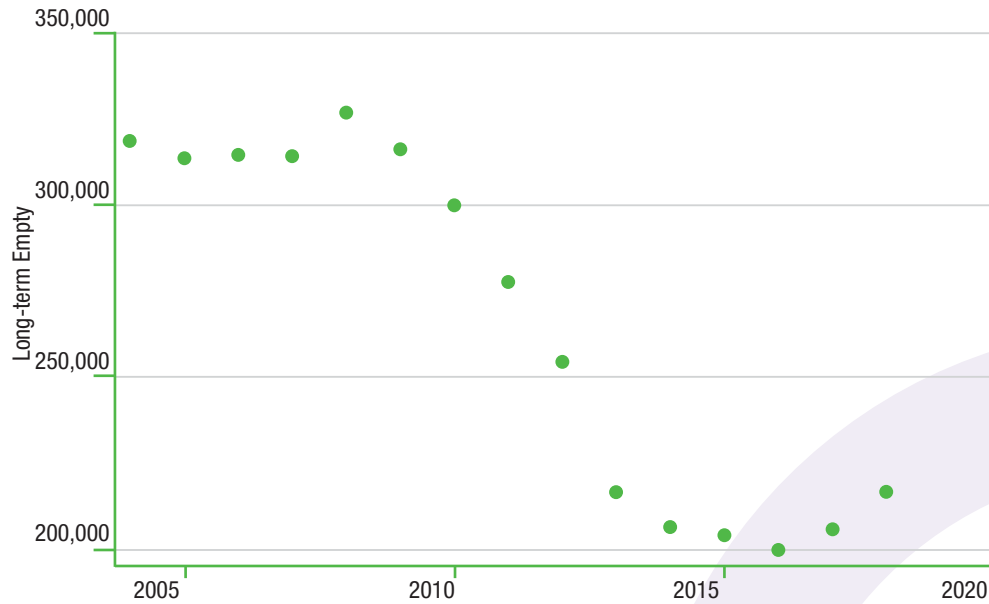
■ *The end of the Coalition Government Empty Homes Programme*

The Coalition Government's national Empty Homes Programme which, through several targeted funds, saw £216m invested by Government in bringing over 9,000 long-term empty homes back into use, was closed in 2015. The programme was generally viewed as a successful one, with significant impacts achieved through its Clusters Programme and funding targeted to community and voluntary groups.⁶ It is likely the closure of this programme has impacted on the numbers of empty homes.

■ *Economic uncertainty impacting on property transactions*

Graph 1 shows housing market transactions in England fell in 2008 as growth slowed. Transactions also dropped in 2016, coterminous with slower growth after the

Graph 2: Long-term empty homes in England 2004-2018



Brexit vote. Transactions levels have yet to recover to pre-2016 levels and July 2019 saw a 12% year on year drop, with some commentators anticipating further falls. The financial crisis of 2008 was accompanied by a spike in long-term vacant homes in England. The EU Referendum result has also been followed by a spike in vacant homes (see Graph 2).

It is reasonable to conclude that reduced activity in the housing market may lead to growth in the number of empty homes.

■ *Is Brexit a factor impacting sales, including new build sales?*

The role of uncertainty around Brexit after the 2016 referendum result, leading to a slowing of the housing market, has been speculated to be a contributory factor to the rise in empty homes numbers, as levels of housing transactions have dropped.⁷ This has also been a period of slowing economic growth, and while full-time employment grew and

average wages saw a slight uptick, alongside labour market tightening, data shows that inflation levels meant that 'real wages' dropped in the post-referendum period.⁸

2018/19 also saw isolated examples of property marketed directly into international investment markets being withdrawn from sale as a result of Brexit in the London market.⁹ This type of stock is now known to feature in some council's long-term empty homes numbers.

The changing housing market conditions, the end of dedicated funding streams for taking action on empty homes, combined with the economic uncertainty created by the three-year policy debate around Brexit, seem to have created the conditions for the first significant rises in empty homes numbers for a decade.



4

The geography of empty homes: Where are the numbers rising?

It is advisable to exercise some caution in looking at the year to year data at an individual local authority level. This is because of the potential for numerous factors to impact on the numbers recorded. These include: the staffing of empty homes teams, where these exist, a

change in local counting methods, and the influence of particular developments or regeneration schemes. It is for this reason we look to overall trends across regions and types of authority, as well as to trends over time.

While the overall national rise was 5.3% in 2018, with long-term empty homes increasing in two thirds of England's 326 local authorities, more than a third of local authorities saw rises above 10%, while more than one in ten saw rises of 30% or more.

Table 1: Rise and fall in long-term empty homes (LTEH) across regions in England

	2017	2018	Total stock	Change	% Change		% LTEH Occurrence
NORTH EAST	17106	16,979	1,233,193	-127	-1	DOWN	1.38
NORTH WEST	39,344	39,769	3,284,137	425	1	UP	1.21
YORKSHIRE & HUMBER	27,009	28,071	2,426,582	1,062	4	UP	1.16
EAST MIDLANDS	18,553	19,664	2,091,557	1,111	6	UP	0.94
WEST MIDLANDS	20,996	22,381	2,492,487	1,385	7	UP	0.90
SOUTH WEST	18,687	19,148	2,554,925	461	2	UP	0.75
EAST OF ENGLAND	17,983	19,950	2,685,978	1,967	11	UP	0.74
SOUTH EAST	25,378	27,743	3,910,176	2,365	9	UP	0.71
LONDON	20,237	22,481	3,619,165	2,244	11	UP	0.62
ENGLAND TOTAL	205,293	216,186	24,298,200	10,893	5	UP	0.89

Note: LTEH = Long-term empty homes

As Table 1 shows, all regions, except for the North East, saw rises. The three regions with the highest rises were London, the East of England and the South East. The North East, which is the smallest region in terms of housing stock, remained the region with the highest percentage occurrence of empty homes at 1.38%, or one in every 72.

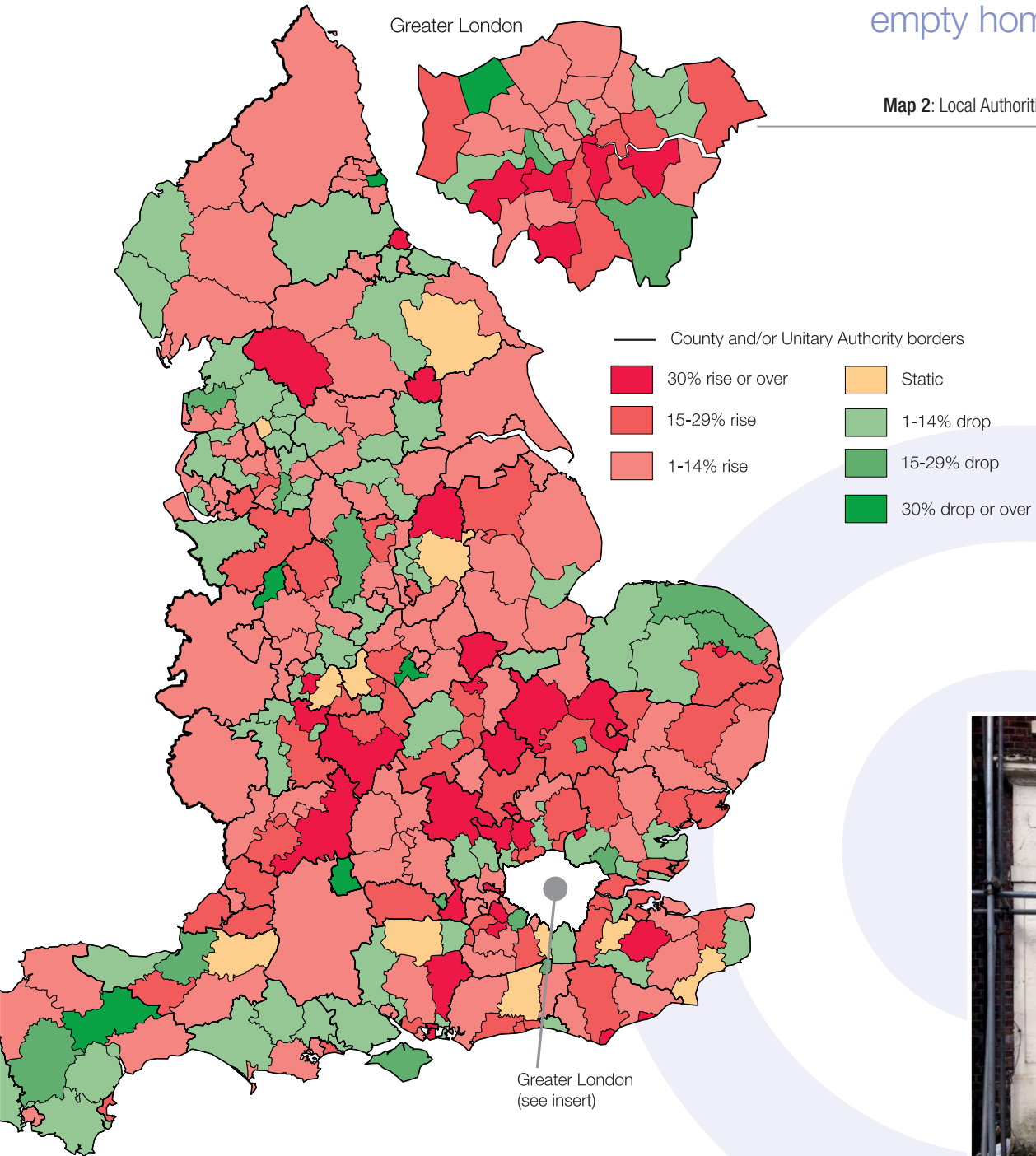
It is notable that it is the South East, London and the East of England which appear responsible for a larger proportion of the recent rise in long term empty homes than other regions, with other regions decreasing as a proportion of the total long-term empties in the national data.

Map 2 shows the level of rise across England. A table with data for all local authorities in England can be found on the Action on Empty Homes website: www.actiononemptyhomes.org



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Map 2: Local Authorities ranked by rise in long term empty home occurrence levels in 2018



“ All regions except the North East saw rises. The highest regional rises were in London, the South East and the East of England ”



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Table 2: Areas with rises in level of long-term empty homes in 2018 of 30% or more

Local Authority	LTEH 2017	LTEH 2018	Total stock	Increase	% Rise	Region	% Occurrence
Isles of Scilly	0	9	1,198	9	(>100%)	South West	0.75
Aylesbury Vale	126	404	80,702	278	221	South East	0.50
Portsmouth UA	466	939	92,188	473	102	South East	1.02
Southwark	1128	1766	140,710	638	57	London	1.26
City of London	158	244	7,271	86	54	London	3.36
Hartlepool UA	472	726	43,802	254	54	North East	1.66
Cotswold	321	481	43,714	160	50	South West	1.10
Eastbourne	349	518	48,769	169	48	South East	1.06
Woking	235	346	42,808	111	47	South East	0.81
York UA	359	527	90,629	168	47	Yorks & Humber	0.58
Sutton	470	686	83,435	216	46	London	0.82
Rutland UA	127	183	17,340	56	44	East Midlands	1.06
Harlow	225	322	37,494	97	43	East	0.86
Bedford UA	431	613	74,687	182	42	East	0.82
Richmond upon Thames	344	488	84,603	144	42	London	0.58
Maidstone	342	485	70,843	143	42	South East	0.68
St Albans	286	402	60,796	116	41	East	0.66
Greenwich	600	830	116,540	230	38	London	0.71

Local authorities exhibiting the highest rises from 2017 to 2018

Table 2 shows the 35 authorities with rises of 30% or above. The geography of those exhibiting high rises is worthy of note, in so far as this demonstrates a degree of consistency with the trend for the growth in empty homes to be weighted to regions that have previously had lower levels of long-term empties - notably London, the South East and the East. 71% (25) of this group of authorities are in these three regions.



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Table 2: continued...

Local Authority	LTEH 2017	LTEH 2018	Total stock	Increase	% Rise	Region	% Occurrence
Norwich	335	462	66,139	127	38	East	0.70
Slough UA	225	310	53,988	85	38	South East	0.57
Luton	438	598	81,129	160	37	East	0.74
Craven	315	430	27,414	115	37	Yorks & Humber	1.57
Bassetlaw	420	573	52,398	153	36	East Midlands	1.09
Hastings	474	642	43,525	168	35	South East	1.48
Runnymede	233	315	36,115	82	35	South East	0.87
Dacorum	390	522	64,267	132	34	East	0.81
Sandwell	802	1073	133,111	271	34	West Midlands	0.81
Corby	9	12	29,446	3	33	East Midlands	0.04
Huntingdonshire	261	346	76,833	85	33	East	0.45
East Hampshire	311	410	52,918	99	32	South East	0.77
Wokingham UA	386	508	67,635	122	32	South East	0.75
Wandsworth	132	173	145,312	41	31	London	0.12
Stratford-on-Avon	612	801	59,069	189	31	West Midlands	1.36
East Cambridgeshire	242	315	37,465	73	30	East	0.84
Bromsgrove	260	338	41,525	78	30	West Midlands	0.81

Note: LTEH = Long-term empty homes



For full details of empty homes numbers for every English local authority in 2018, with comparative figures for 2017 and occurrence levels, see our website¹⁰

www.actiononemptyhomes.org

5

What sort of homes are long-term empty?

The distribution of empty homes in Council Tax bands

Table 3 shows:

- Empty homes occur in all Council Tax bands but are only disproportionately prevalent in the highest band (Band H) and the lowest band (Band A).
- However, only a tiny number of empty homes, 8,247, or 4% of the total, are recorded in high value tax bands G and H.
- The middle bands C,D,E,F have 78,712 empty homes, about 36% of the national figure, in about 52% of England's housing stock.
- It is in the low value A and B bands, that nearly 130,000 empty homes, or 60% of the total, are to be found in 44% of the housing stock. This is a disproportionate representation of empty homes amongst this lowest value of national housing stock.

Distribution by Council Tax band in the regions with the highest occurrence and the most empty homes in England: The North East and North West

The North East:

The North East is the region with the highest percentage occurrence of long-term empty homes at 1.38%, or one in 72; it also has the smallest housing stock of the British regions, with just over 1.2 million homes, while London, the South East and the North West all have stocks of over 3 million homes each.

Across the North East region numbers fell slightly in the 2018 data, by 1%. It was the only region to exhibit a fall in numbers in 2018. This was almost wholly attributable to significant reductions in South Tyneside and Durham which each reduced numbers by over 400 - a reduction of 9% in the Durham unitary authority area and 49% in the significantly smaller South Tyneside area. However, other areas of the region such as Hartlepool and Newcastle still saw significant rises.

Table 3: Long-term empty homes in England by Council Tax band

NATIONAL LTEH BY Council Tax Band:									
Dwellings shown on the Valuation List	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	TOTAL
Total number of dwellings on List	5,917,081	4,766,852	5,301,689	3,759,001	2,326,863	1,230,059	853,260	143,395	24,298,200
LTEH (Line 18 on the CTB)	88,568	40,659	34,397	22,857	13,728	7,730	6,314	1,933	216,186
OCCURRENCE BY BAND %	1.50%	0.85%	0.65%	0.61%	0.59%	0.63%	0.74%	1.34%	0.89%
% OF TOTAL LTEH IN THIS BAND	41%	19%	16%	11.00%	6.30%	4%	3.00%	0.89%	
% BAND IS OF TOTAL (chargeable dwellings)	24%	20%	22%	15.50%	9.60%	5%	3.50%	0.59%	

Note: LTEH = Long-term empty homes (based on Line 18 of the Council Taxbase)

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“ Five of the ‘top six’ local authorities with the highest levels of empty homes are in the North West region ”

In the North East, the pattern is similar to the national picture but less extreme in its disproportionality by Council Tax band. Band A has the highest percentage of the North East’s homes (54%) but 71% of the region’s long-term empties. Occurrence in Band A is a shocking one in every 56 homes (1.8%).

long-term empty than all other Council Tax bands. The highest band (Band H) is the only other band to demonstrate a significantly disproportionate occurrence of long-term empty homes.

As *Table 4* shows, five of the top six local authorities nationally with the highest levels of empty homes are in the North West region.

The North West:

While the North East has the highest regional level of long-term empties occurrence, it is the North West region which has both the highest actual number of long-term empties of any English region, 39,769, and many of the local authorities with the highest levels. Across all bands in the North West, long-term empty property stands at 1.21%, a marginal rise between 2017 and 2018.

In the North West, occurrence of long-term empties in Band A stands at 1.7%, a very high level at one in 60. These 22,499 long-term empty Band A homes comprise 57% of all North West empties, while Band A comprises 41% of North West habitable housing stock. This is again a less intense version of the national pattern, in which Band A properties are significantly more likely to be



Table 4: Local authorities with the highest levels of occurrence of long-term empty homes

Rank	Local Authority	Number of long-term empties	Total Stock (Council Tax base)	% Occurrence	Region
1	City of London	244	7,271	3.36	London
2	Copeland	847	33,651	2.52	North West
3	Barrow-in-Furness	837	33,526	2.50	North West
4	Burnley	976	41,439	2.36	North West
5	Pendle	862	40,349	2.14	North West
6	Blackpool UA	1459	71,550	2.04	North West
7	North East Lincolnshire UA	1478	73,049	2.02	Yorks & Humber
8	Blackburn with Darwen UA	1203	61,180	1.97	North West
9	Torbay UA	1303	67,357	1.93	South West
10	Bradford	4090	217,399	1.88	Yorks & Humber
11	South Lakeland	987	53,443	1.85	North West

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What about London?

In 2018 long-term empty homes rose by 11% across London, with a rise of 14% in the 14 inner London Boroughs and of 8% in outer London Boroughs. This is the equal highest regional rise in England.

London differs from the national pattern significantly in the distribution of stock across

Council Tax bands. London has lower numbers of housing stock in the bottom two bands, less than 20% against over 40% nationally. London also features a higher proportion of high band homes amongst its stock than nationally, with nearly 8% of London stock in the top two bands compared to less than 4% nationally and a greater proportion of stock in the middle bands. Over 75% of London housing is in

bands C,D,E and F compared to 52% nationally, meaning that, overall, there is a greater proportion of larger, and assumedly more expensive, housing in London than nationally.

In terms of long-term empty homes, London has 25% in Council Tax Bands A and B – as against 17% of its housing stock. This is a slightly more disproportionate occurrence in

these bands than nationally. However, the actual level of occurrence in these bands for London, at 0.9%, is lower than the national rate of 1.2% in the two lowest bands, reflecting London's overall lower level of reported long-term empty homes.

London also has higher numbers of empty homes in Band B than Band A, the reverse of the national picture. This simply reflects the fact that London housing stock features a greater proportion of all homes in Band B than in Band A. However, it is notable that the level of occurrence in London, as nationally, is still highest in the lowest band, Band A, at 1.33%, or one in every 75; compared to 0.78% in Band B, or one in 128.

Table 5: Long-term empty homes in London by Council Tax band

	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	TOTAL
Total by band	1854	3765	5145	4714	2985	1680	1373	753	22481
% of total London LTEH	8.25%	16.75%	22.89%	20.97%	13.28%	7.47%	6.11%	3.35%	
% band is of stock	3.86%	13.31%	27.01%	25.48%	15.09%	7.58%	5.90%	1.77%	
Total London Stock by Band	139,591	481,600	977,421	922,323	546,237	274,384	213,669	63,940	3,619,165
Occurrence:	1.33%	0.78%	0.53%	0.51%	0.55%	0.61%	0.64%	1.17%	0.62%

Key:

- Significantly 'over-empty' proportionate to stock distribution
- Slightly 'over-empty' proportionately to stock distribution

empty homes in england 2019

Table 6: Occurrence of long-term empty and second homes in London Borough

Inner London										
Borough	LTEH 2017	LTEH 2018	Stock	Change	% Change	% LTEH occurrence	Second Homes	% Second Homes occurrence	LTEH + 2nd No permanent residents long-term	No permanent residents long-term %
Camden	1142	1210	109,496	68	6	1.11	7,122	6.50	8,332	7.61
City of London	158	244	7,271	86	54	3.36	1,964	27.01	2,208	30.37
Hackney	925	933	114,209	8	1	0.82	734	0.64	1,667	1.46
Hammersmith & Fulham	329	278	88,741	-51	-16	0.31	2,110	2.38	2,388	2.69
Haringey	654	732	109,378	78	12	0.67	0	0.00	732	0.67
Islington	644	621	108,351	-23	-4	0.57	301	0.28	922	0.85
Kensington & Chelsea	1230	1115	88,954	-115	-9	1.25	8,854	9.95	9,969	11.21
Lambeth	734	920	142,341	186	25	0.65	396	0.28	1,316	0.92
Lewisham	939	1115	128,057	176	19	0.87	272	0.21	1,387	1.08
Newham	709	894	116,608	185	26	0.77	275	0.24	1,169	1.00
Southwark	1128	1766	140,710	638	57	1.26	497	0.35	2,263	1.61
Tower Hamlets	548	634	129,880	86	16	0.49	6,160	4.74	6,794	5.23
Wandsworth	132	173	145,312	41	31	0.12	698	0.48	871	0.60
Westminster	292	304	126,991	12	4	0.24	3,194	2.52	3,498	2.75
Inner London Totals										
	9564	10939	1,556,299	1,375	14	0.70	32,577	2.09	43,516	2.80

Table 6: continued...

Outer London										
Borough	LTEH 2017	LTEH 2018	Stock	Change	% Change	% LTEH occurrence	Second Homes	% Second Homes occurrence	LTEH + 2nd No permanent residents long-term	No permanent residents long-term %
Barking & Dagenham	115	106	75,390	-9	-8	0.14	111	0.15	217	0.29
Barnet	1048	1065	150,957	17	2	0.71	3,657	2.42	4,722	3.13
Bexley	475	488	98,604	13	3	0.49	32	0.03	520	0.53
Brent	354	405	121,470	51	14	0.33	286	0.24	691	0.57
Bromley	575	482	140,344	-93	-16	0.34	790	0.56	1,272	0.91
Croydon	1264	1521	157,013	257	20	0.97	464	0.30	1,985	1.26
Ealing	801	850	136,321	49	6	0.62	200	0.15	1,050	0.77
Enfield	917	1026	124,851	109	12	0.82	1,065	0.85	2,091	1.67
Greenwich	600	830	116,540	230	38	0.71	291	0.25	1,121	0.96
Harrow	673	299	91,838	-374	-56	0.33	531	0.58	830	0.90
Havering	494	630	105,188	136	28	0.60	176	0.17	806	0.77
Hillingdon	490	563	112,002	73	15	0.50	1,372	1.22	1,935	1.73
Hounslow	215	191	103,125	-24	-11	0.19	169	0.16	360	0.35
Kingston upon Thames	268	292	67,445	24	9	0.43	551	0.82	843	1.25
Merton	595	611	84,805	16	3	0.72	396	0.47	1,007	1.19
Redbridge	462	457	104,279	-5	-1	0.44	777	0.75	1,234	1.18
Richmond upon Thames	344	488	84,603	144	42	0.58	431	0.51	919	1.09
Sutton	470	686	83,435	216	46	0.82	115	0.14	801	0.96
Waltham Forest	513	552	104,656	39	8	0.53	650	0.62	1,202	1.15

Table 6: continued...

Borough	LTEH 2017	LTEH 2018	Stock	Change	% Change	% LTEH occurrence	Second Homes	% Second Homes occurrence	LTEH + 2nd No permanent residents long-term	No permanent residents long-term %
Outer London Totals										
	10673	11542	2,062,866	869	8	0.56	12,067	0.58	23,606	1.14
All London Totals										
	20237	22481	3,619,165	2,244	11	0.62	44,641	1.23	67,122	1.85

The intensity of the 'over-representation' of empty homes in the highest and lowest Council Tax bands in London is also significantly different from the national picture (and greater). Band A features 8.25% of London's long-term empty homes but only 3.86% of stock, while the highest band, Band H, features 1.77% of stock but 3.35% of its long-term empties.

It is at the top end of the Council Tax scale, that London appears most significantly different from the national empty homes

picture, with nearly one in ten of London's long-term empties in the top two Council Tax bands (9.46%).

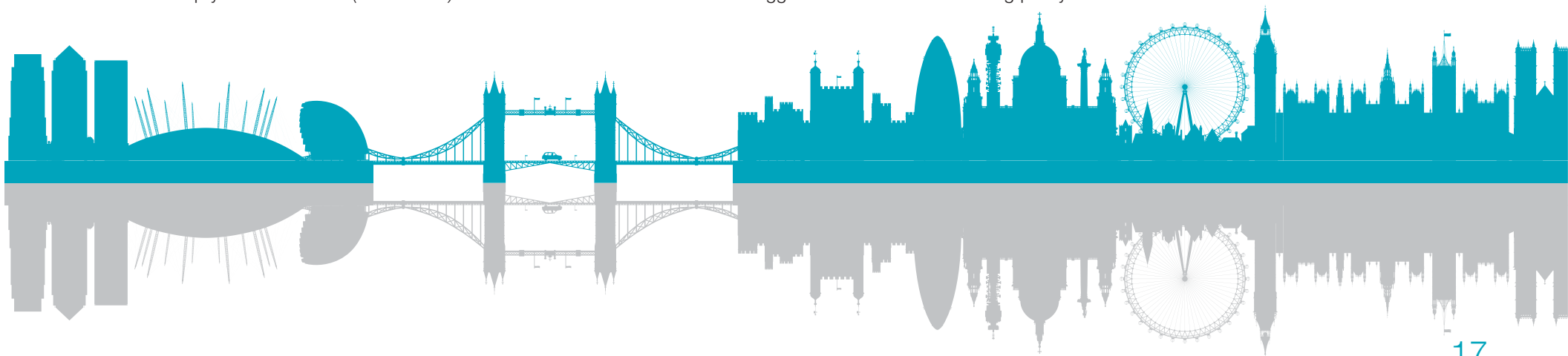
However, while this is higher than nationally as a proportion of London's empty homes, with only 3.89% of long-term empties nationally in these two bands, it again reflects London's different distribution of housing stock and represents a Band H occurrence of 1.17%, which is lower than the national occurrence level of 1.34% (see *Table 5*).

Empty homes and second homes in London

Table 6 illustrates the huge variation in levels of long-term empty homes between London Boroughs. However, by also looking at second homes numbers alongside long-term empties in this table, we can see some London Boroughs with far more second homes than long-term empties, while others demonstrate the reverse, and some record few or even no second homes. This suggests differences in recording policy from

borough to borough may be a factor, as well as differences in local market characteristics.

Table 6 also allows us to look at the impact of long-term empty and second homes on housing supply, as both have no permanent residents and are not available for long-term occupancy. It is striking to reflect, for example, that one home in every thirteen in the London Borough of Camden is not available for permanent occupancy, through either long-term empty or second home status.



6

Do the official statistics tell the whole story?

How empty homes are classified and counted

The official statistics on empty homes are collected as part of the annual submission of Council Tax base data submitted to the Ministry of Housing, Communities and Local Government (MHCLG). This data forms part of two statistical releases: the annual Dwelling Stock Estimates and the annual release of Council Tax base data.

Government Dwelling Stock Estimates

The MHCLG annual Dwelling Stock Estimates: England Statistical Release, released 24th May 2019, states a total number of vacant dwellings for 2018 of 634,453.

The release states 'Vacant dwellings are 2.6% of the dwelling stock'. This data is effectively a snapshot of the situation when the data is submitted in October each year.

The release also states that 'Long-term vacant dwellings numbered 216,186 on 1 October 2018, an increase of 10,893 (5.3%) from 2017. Long-term vacant dwellings are 0.9% of dwelling stock.'

Second homes and the vagaries of definition:

Empty homes covered by most relevant exemption classes are recorded as part of the 634,453 vacant dwellings. The classes not included are largely not what one would normally classify as a standard residential dwelling and include moorings, caravan pitches and student hall of residence units, along with military and diplomatic homes. However, empty military homes have become a subject of recent public and media debate because volumes have exceeded targets for acceptable vacancy within the military estate, as well in the context of disposals of vacant stock.¹¹

England's 252,000 second homes, like empty homes, have no permanent residents. It is worthy of note that the definition requires no proof that the home is used, nor is there any restriction, or official data, on how many second homes an individual can own, or does own, either within one local authority area or across the country.

The Local Authority Council Tax base – annual Local Government Finance Statistical Release:

The second relevant official statistical release is the annual Local Government Finance Statistical Release 'Local Authority Council Tax base England', released in November by the Ministry of Housing, Communities and Local Government. This features numbers of empty dwellings which are not exempted from Council Tax on its front page summary.

In the 14 November 2018 release, the figure was stated as '473,000 empty dwellings' (472,918). The difference between this number and the 634,453 vacant dwellings in the Dwelling Stock Estimates reflects a group of exemptions from Council Tax. These exemption classes are comprised of what would normally be considered as 'homes' (unlike those discussed above such as moorings).

“ England's 252,000 second homes, like empty homes, have no permanent residents, the definition requires no proof that the home is used ”



These exemptions are ‘exemption classes (relating to an unoccupied dwelling) B,D,E,F,G,H,I,J,K,L and Q.’ The data set does not give any indication as to how long this group of 161,535 dwellings have been empty for, with the exception of ‘22,400 dwellings owned by charities and unoccupied for up to six months’.

Exemption Classes – ‘legitimate’ or uncounted empties:

The total number of homes on the Valuation List exempted from the Council Tax is 598,626 but of these, only the 161,535 referred to above are both empty and what would normally be considered homes (as opposed to student hall places, moorings, or classes of dwelling such as military homes of which many are occupied etc).

The largest number of homes amongst this group of 161,535 empty homes is 76,000 ‘dwellings left empty by deceased persons’; also included are 32,000 ‘unoccupied dwellings previously the sole or main residence of a person who has moved into a hospital or care home’, and the 22,400 ‘unoccupied dwellings owned by a charity’ (up to six months). 6,000 are unoccupied

because occupation is prohibited by law; 3,000 have been taken into possession by a mortgage lender; 1,940 are left empty by those detained in prison and 990 are unoccupied clergy dwellings. For a full list of these exemptions see the MHCLG Statistical Release of Council Tax base Data, Supplementary CTB Form.¹²

Derelict properties removed from the Council Tax base:

A class of long-term empty homes not included in the Council Tax base data are those deemed unsuitable for residential use even with a reasonable level of repairs. These properties are not counted as dwellings for Council Tax purposes and are ‘removed from the valuation list’ in common parlance.

There is a process whereby an owner (an ‘interested person’ for Council Tax purposes, defined as an owner, part-owner or tenant) can challenge Council Tax banding on the basis that it is incorrect or request de-listing on the basis that the property is unsuitable for occupation (the latter in practice only applies to owners or part-owners).

National data, held by the Valuation Office, reveals that while this is in effect a tax loophole for property allowed to become wholly derelict, it is unlikely to be a major issue. Across England and Wales in 2017/18 a total of 3,720 properties were deleted from the Valuation List, and hence the Council Tax base, as a result of such challenges.

Locally, however, the potential ability to avoid enforcement or penalty on empty property left to fall into dereliction through this route may impact some owner behaviour.

Undercounting

It is widely speculated that official statistics probably undercount numbers of empty homes. This is because they are dependent on knowing whether individual dwellings are empty. There is little incentive for an owner liable for Council Tax to notify the local authority that a property is vacant.

Some officers speculate that the threat of Council Tax premium charges on long term empty property, while generally supported, may also effectively incentivise owners to conceal empty property status. This may also make classifying a long-term empty

property as a ‘second home’ an attractive option because this status avoids the risk of future premiums being charged.

Verification and variation:

Local authorities carry out verification exercises before submitting Council Tax base data including empty homes numbers. However, there is significant variation in the techniques used, the resourcing allocated and the timing of these exercises. Meaning that data is likely to contain inconsistencies.

Furthermore, while empty homes data is largely originated from Council Tax data, the sharing of information across empty homes



teams (where these exist) and Council Tax departments is often inconsistent. Some empty homes teams still report encountering queries or difficulty in gaining access to ownership and billing data from Council Tax departments. This can make it difficult or impractically time-consuming to challenge, for example, the status of apparently empty homes defined as second homes for Council Tax collection and billing purposes.

Many Empty Homes Officers do not consider this a legal obstacle and cite specific clauses of the public interest exemptions present within GDPR legislation. The Information Commissioners Office states: 'The GDPR and the Data Protection Act 2018 set out exemptions from some of the rights ... an exemption for national security and defence. ... art and literature; Research and statistics; Archiving in the public interest ... or; the assessment or collection of a tax or duty or an imposition of a similar nature.' - the final of these exemptions criteria clearly being the most pertinent in this instance.¹³

empty homes in england 2019

Empty Homes and Second Homes

Once a home is declared long-term empty it joins an enforcement pathway. Regardless of whether the local authority has dedicated 'empty homes officers', the property appears on a list which is the reference point for whatever officer or team is assigned responsibility for empty homes in the local authority concerned.

This pathway includes, at the two-year empty point, the imposition of the recently enhanced Empty Homes Council Tax Premium. This Premium can now be charged at levels up to 100% on two-year empty properties, with 200% premiums for five-year empties to follow in 2020 and 300% premiums for ten-year empties from 2021.

The majority of local authorities began implementing the higher charge at the 100% level in April 2019. The Government claimed when backing this change that this is the main power in local authorities' enforcement armoury against homes wilfully left empty.

Announcing the legislative change in July 2018, Secretary of State for Housing Communities and Local Government James Brokenshire said, "We're determined to do

everything we can to ensure our communities have the housing they need.

That's why we're giving councils extra flexibility to increase bills and incentivise owners to bring long-standing empty homes back into use. By equipping councils with the right tools to get on with the job, we could potentially provide thousands more families with a place to call home. Councils will be able to use funds from the premium to keep Council Tax levels down for hard working families."

Second Homes - do they matter?

Some local authority officers who have investigated the phenomenon of 'second homes', have found evidence of multiple owners in possession of numerous apparently empty and long-term unutilised properties, which are nonetheless declared for Council Tax purposes as 'second homes'.

These homes are therefore neither recorded as long-term empty in Government statistics nor subject to the Empty Homes Council Tax Premium after two years empty.

empty homes in england 2019

Map 3: The occurrence of second homes

In Map 3, we show the occurrence of second homes. Questions arise about the recording of second homes as distinct from homes recorded as long-term empty, prompted, for example, by the occurrences of large numbers of second homes within Northern English cities.¹⁴

Local authority officers suggest that ‘buy to leave’ properties are most likely to be recorded as second homes for two broad reasons: first, the very broad definition of second homes does not require the owner to provide evidence of the utilisation of the home as a ‘second home’. Second, there is no statutory restriction on the number of residential properties which owners can declare as second homes. This creates a perverse incentive to declare long-term empty properties, which owners do not intend to rent out, as second homes, to avoid the risk of liability for the Empty Homes Council Tax Premium, which can occur after two years empty.

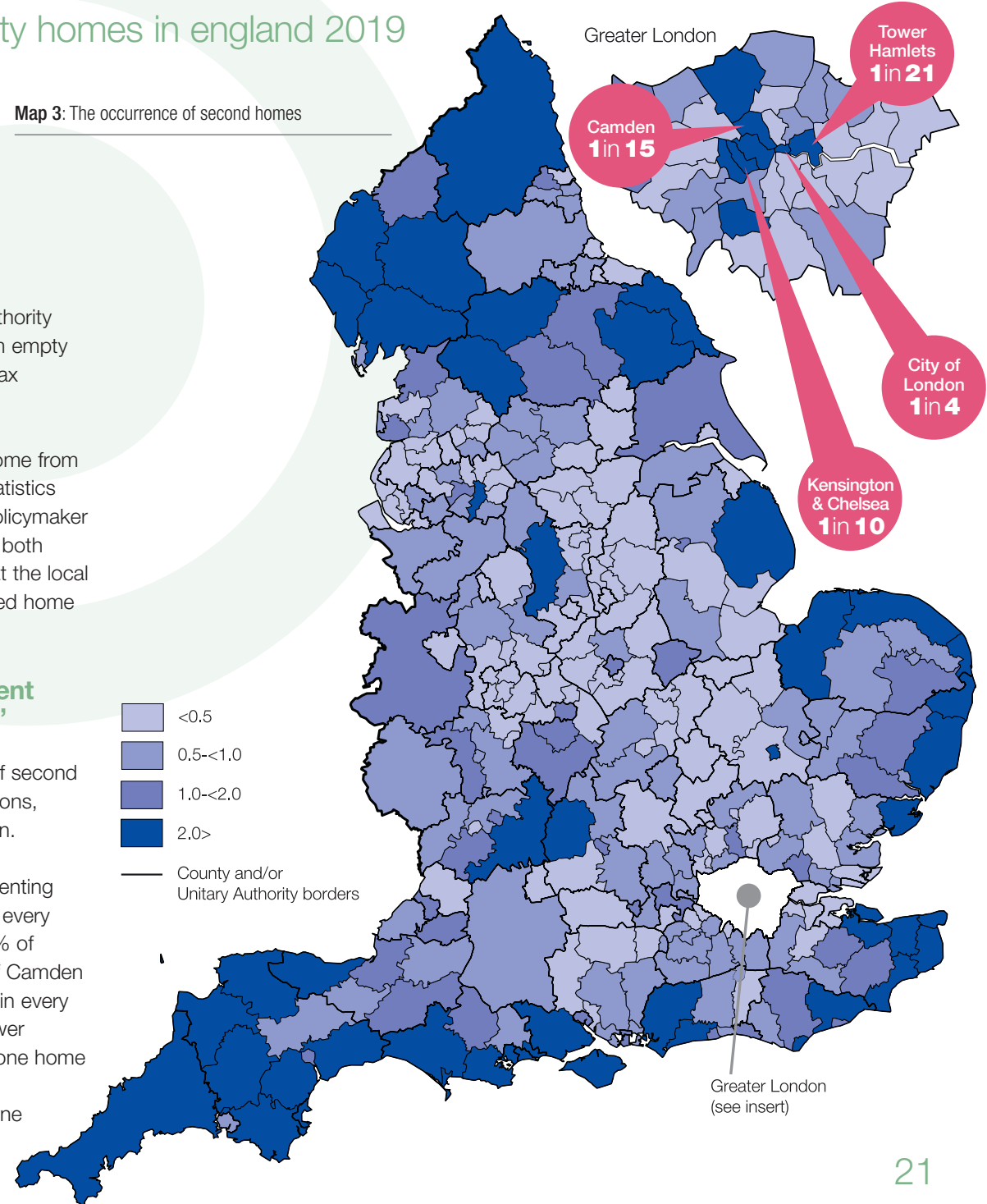
Furthermore, any home which has at some point been utilised as a second home, regardless of its current usage, or lack of usage, is likely to be furnished; and this is

also believed to undermine local authority officers ability to declare it long-term empty and potentially liable for a Council Tax premium.

This in turn not only removes the home from national long-term empty homes statistics and, as a result, from associated policymaker evaluation of the scale of the issue, both locally and nationally, but critically, at the local level, it removes the empty or unused home from the pathway to enforcement.

Challenging and inconsistent figures for ‘second homes’

While some areas with high levels of second homes are popular holiday destinations, others appear not to fit this definition. Notable examples include cities like Manchester with over 6,000 (representing nearly 3% of stock, or one home in every 38), Bradford with 2,000 (around 1% of stock) and the London Boroughs of Camden with over 7000 – a remarkable one in every 15 homes in the borough – and Tower Hamlets with 6,160 – representing one home in every 21. Other notable numbers include 2,562 in Newcastle upon Tyne



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– around one in 50 homes – and 1,570 in Leicester – one in 88, the latter being a city where multiple second home ownership of apparently unused and decaying properties has been reported by local officers.

In all, there are 54 local authority areas where at least one in every 50 homes is classified as a 'second home'. Leaving aside the exceptional case of the City of London authority area, which has only 7,271 homes, of which 27% are second homes, the highest is the London Borough of Kensington and Chelsea where 10% of homes are listed as 'second homes' for Council Tax purposes.

The majority of local authorities no longer apply second homes Council Tax discounts. Out of 251,654 second homes, only 3,333 received the maximum 50% discount in 2018, while 8,091 received a 10% Council Tax discount.

Finally, a further question is posed on second homes by the decision of one London borough, Haringey,¹⁵ to cease submitting data to MHCLG on second homes, while the zero number submitted by Liverpool in 2018 has also raised questions.



Discounts and Premiums: Changes to the Empty Homes Council Tax Premium in 2019

The Empty Homes Council Tax Premium was introduced in 2013. Since then local authorities have been able to charge a premium of up to 50% on homes empty for over two years, discounts of up to 100% can also be applied and of up to 50% for second homes.

Empty Homes Council Tax Premium is charged in England after two years empty, where a property is not exempted and is defined as 'unfurnished'.

In April 2019 the rate at which councils could charge this was increased from up to 50% to up to 100%, meaning that Council Tax can be charged at rates of up to double on property defined as empty for over two years.

A premium of 200% was also introduced, effective from April 2020 for property empty for five years or more, meaning a potential from 2020 to charge a 300% Council Tax charge for such homes, where local authorities choose to adopt this.

While from April 2021 a 300% premium has been introduced for 10-year empties, representing a potential 400% Council Tax charge where local authorities choose to adopt this.

While no current national data on five and ten-year empties exists, local authorities are starting to collate this data in preparation for the implementation of these new charges. This will provide a new source of information on some very long-term empty homes. This will be subject to these having been accurately and effectively identified and having not been removed from the Council Tax base due to dereliction, or in some cases demolition.

Discounts and Premiums charged on empty homes in 2018

Currently, 62,419 long-term empty homes are charged a premium. Of these, 61,718 paid the full 50% premium chargeable in October 2018, when the data was last collected.

At this time 72,206 empty homes enjoyed a discount. Of these, 37,704 received a 100% discount.

Local authorities which did not implement the Premium

A small number of local authorities did not implement the 50% premium. 38 out of 326 authorities had not implemented the original 50% premium when the 100% premium was legislated as an option.

Some of these authorities are now introducing the 50% premium as others introduce the 100% premium. While some such as Derbyshire Dales District Council, which had not previously implemented any premium, have now adopted the new 100% premium from April 2019, reflecting the fact that, although empty homes numbers in the area have dropped significantly, they are still stubbornly high at 1.4%.

Enforcement

Across local authorities in England there is great variation in the resourcing and style of enforcement around empty homes. Some authorities lack both resources and strategy in this area and this may impact both the recording of long-term empty homes and the effectiveness of action to bring them into use.

Some authorities are keen to move a vacant privately-owned property to enforced sale, Empty Dwelling Management Orders (EDMO) or Compulsory Purchase Orders (CPO) if possible. However, very few EDMOs are currently implemented, with owners often preferring to take action themselves when faced with this prospect. Other councils avoid such interventions and rely wholly on a range of incentives and disincentives, including the charging of premiums.

Some councils offer significant refurbishment grants - £25,000 per housing unit in the case of some London Boroughs - in return, after refurbishment has been completed, for the right to nominate tenants from their housing

list to rent the property for periods of up to five years. In addition, a range of powers may be used under housing, environmental health and planning legislation, to secure them or to make them safe in the face of owner neglect. This results in charges being placed on the property to recover the council's costs and can ultimately lead to enforced sale to recover these costs.

In some councils, enforcement action is most often driven by complaints from neighbouring properties, and/or councillors, an approach which may be deemed necessary where resources are limited in relation to high numbers of long-term empty homes. Some officers take a wait and see approach, and only pursue cases which show no progress towards being brought into use after a long time has elapsed. Here, action may also be triggered by other officers or services reporting negative impacts arising from the home's empty status.

“ Some local authorities lack both resources and strategy and this may impact recording of empty homes and the effectiveness of action ”



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What MPs think about empty homes

ComRes polling of MPs commissioned by Action on Empty Homes shows huge cross-party parliamentary support for Government to take action on empty homes¹⁶

- **86% of MPs** polled agree that Government should place a higher priority on tackling empty homes.
 - *Public polling delivers similar numbers, so with housing sector organisations, the public and MPs are all on the same page, it is time Government took action.*
- **Over 80%** also support targeted funding for local authorities, charities and local organisations to buy, lease or refurbish empty homes.
 - *This could make a real difference to local people's lives and increase the quality and secure stock of Decent Homes standard accommodation available to local councils.*

- **72%** rank action on empty homes as one of their highest two priorities for combating the current housing crisis.
 - *It is time under-invested communities and blighted neighbourhoods got their share of investment before it's too late and the spirals of local decline experienced in the worst areas become more widespread.*
- **71%** of MPs support requiring all private landlords to be registered.
 - *At present councils can only apply for temporary landlord licensing schemes, so while standards rise during their operation, they can decline again after their termination.*
- **68%** believe landlords who own empty homes which have been vacant for more than a year should be required to bring them back into use.
 - *Residential property assets as investments are fine but they must also deliver as residences. Homes need residents. This should be understood as part of our national social contract.*

- **77% of MPs support** charging a Council Tax premium on empty homes after they have been empty for a year, rather than the current two years.
 - *Leaving hundreds of thousands of habitable homes empty for two years while vandalism and dereliction often set in is simply too long to wait before local councils are empowered to take enforcement measures.*



Rt Hon John Healey MP,
Shadow Secretary
of State for Housing:

“Any comprehensive plan to fix the housing crisis must include making empty homes available for people to live in. This would be a first-order objective for the next Labour Government, with new powers for councils to bring vacant homes back into use and a new levy for owners who leave properties empty”



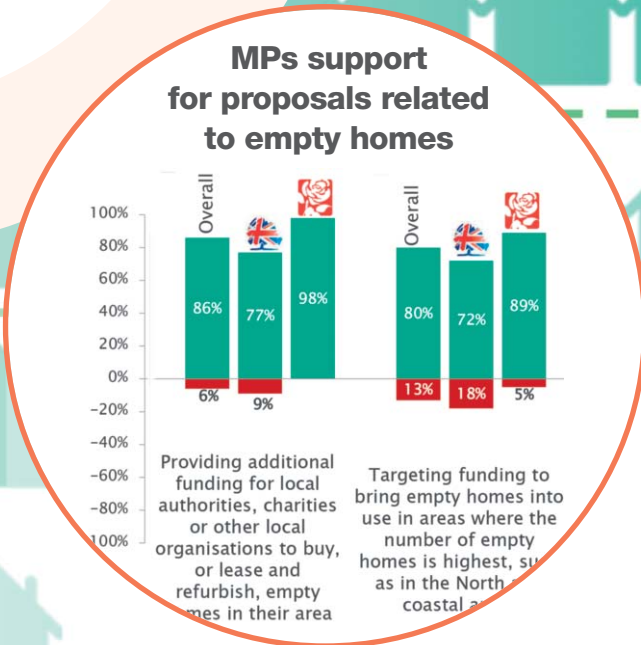
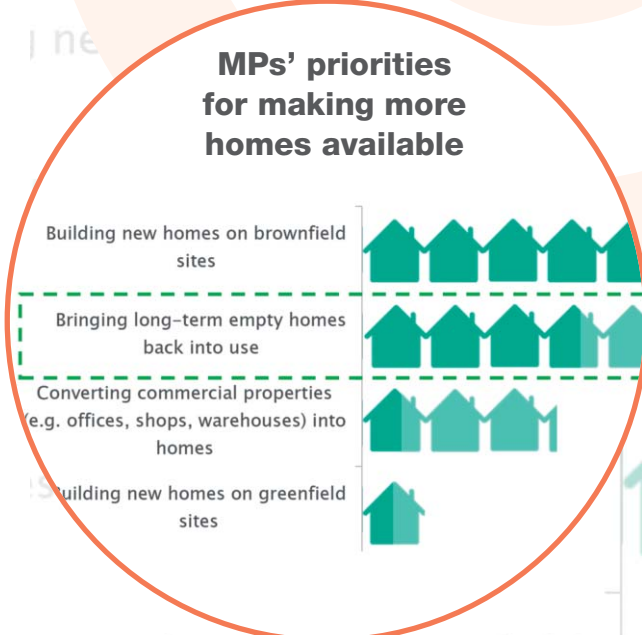
**Tim Farron MP,
Liberal Democrat
Spokesperson on
Housing Communities
and Local Government:**

“The housing crisis in this country has turned into a national emergency. For so many people, owning their own home has become nothing more than just a pipe dream. We need to give local authorities much greater powers to bring empty homes back into use and help families unable to afford a roof over their heads”



**Cllr Mark Dance,
Cabinet Member
for Economic
Development, Kent
County Council:**

“We are very proud of our No Use Empty initiative which the Council is supporting with a £6m funding package which provides short term secured recyclable loans in order to bring long term empty homes back into use. More could be done with an equivalent sum being matched by the Government or a greater amount for injection into our scheme which is achieving tangible results”



g new homes on greenfield sites



“ Empty homes can help meet urgent local housing needs through community-led and local government supported action ”

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“ Only with significant investment targeted to bringing more homes into use can we end the waste of empty homes ”

Recommendations for change

Recommendations to bring empty homes into use:

Central Government should:

1. **Adopt a national investment programme targeted at areas with high levels of long-term empty homes.** This programme should enable local authorities, social landlords and community-based organisations to buy or lease empty properties to refurbish them. It should also support wider community-based regeneration approaches that tackle the underlying causes of empty homes in these areas.
2. **Re-establish dedicated funding programmes** to support local authorities and housing providers to create affordable housing from long-term empty homes in all parts of England.
3. **Ensure that funding programmes to tackle empty homes are also open to community-led organisations** who are not registered providers, and invest in capacity building in this sector.

4. **Provide support for ‘empty home prevention’ schemes, by supporting investment in existing homes.** This should include a so-called ‘new Green Deal’ to offer financial support to owners for sustainability measures and home improvements designed to increase the longevity, affordability and environmental efficiency of existing homes, including insulation measures.
5. **Conduct a review of how the legal powers available to local authorities to tackle empty homes and poor standards of management in the private rented sector could be improved.** This should include: ‘no-fault’ Empty Dwelling Management Orders (EDMOs)¹⁷ granted purely on long-term lack of use of an empty home; considering whether Council Tax Premiums should be levied after one year long-term empty rather than two (as at present), and a national property ownership and usage register, linked to a national landlords register – to be used to ensure improved and more consistent standards of housing and management in the Private Rented

Sector and better utilisation of residential property, delivering reductions in numbers of empty homes.

Local authorities should:

1. **Adopt a strategic approach to empty homes** and ensure that approaches in neighbourhoods with high levels of empty homes fit within a local authority-wide empty homes strategy. We believe that the adoption of a strategic approach to empty homes should be a statutory part of local authorities work in housing, as should prevention strategies.
2. **Support community-based regeneration approaches.** This should include working with communities to develop neighbourhood improvement plans to tackle empty homes and the wider linked issues that they face. In doing so, adopt an ‘invest to save’ approach, recognising how supporting local schemes and services can bring wider benefits to local people, such as jobs and improved community safety, improved health and well-being; and increasing the supply of secure affordable housing.



empty homes in england 2019

3. **Seek funding and allocate resources to buy and refurbish empty properties** for people in housing need. As part of this, they should make funding available to community-based organisations wishing to buy and refurbish empty homes. They should also support community-based providers and housing associations seeking funding to bring empty homes back into use.
4. **Help community-based organisations** wishing to build their know-how and skills to bring empty homes back into use by providing capacity-building support.
2. **Develop ethical disposal policies** to balance the financial and operational needs of associations with community interests and priorities. If they intend to exit from a neighbourhood, they should look to dispose of properties to community-based organisations who are committed to the neighbourhood for the long-term and will manage them well. This aligns with Recommendation 8 of the National Housing Federation's 'Great Places Commission: Final Report' (2019). This means that auction sales (so-called 'disposals') of social homes into the private rented sector should end.

Housing associations should:

1. **Seek funding and allocate resources** to buy and refurbish empty properties for people in housing need and support community organisations in building these skills, as the Thirteen Group has done in the North East.
3. **Liaise with local authorities** to help ensure that they do not contribute to neighbourhood decline and undermine strategies to tackle empty homes; and prioritise the development of ethical supply chain management which works with local suppliers and offers training and job opportunities to local people.

Recommendations on the classification and recording of residential properties

Discussions with officers around the country lead Action on Empty Homes to the conclusion that the definition of 'second homes' requires tightening and that any burden of proof of their usage as such should be shifted to owners. Furthermore, it has been suggested that a limit of one second home per owner should be considered by the government (with further properties given an alternative classification for taxation purposes). This change should be considered in the context of a national review of the treatment for taxation purposes of all homes not used as a primary residence.

empty homes in england 2019

We recommend an examination of the impact, regulation and taxation of the short-term or holiday lettings market as a part of this review. We believe that it may be necessary to take account of the growing impact of Airbnb style whole home lettings and a resultant reduction of housing stock available for full-time residential use in markets such as destination cities, including London, and high demand coastal and rural areas impacted by tourism.

In London, on Airbnb alone, over 50,000 whole home lettings were advertised in 2018. Currently enforcement of limits on the time for which short-term let property is rented across the year appears to be lax or non-existent, and reliant on self-reporting. This means that, in effect, these limits appear to be almost wholly unenforced and unenforceable due to multiple rental platform availability, limited or non-existent enforcement resource and no legal requirement for rental platforms to share data with local government.

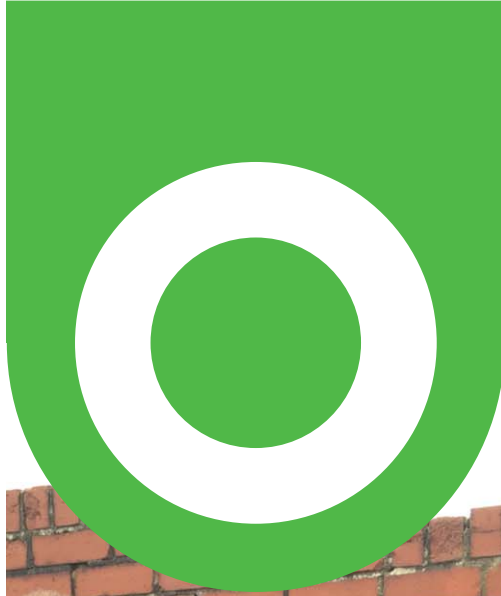
Finally, we recommend the introduction of a national register of home ownership and usage. This would go beyond the widely proposed national landlord's register, first suggested by Government as long ago as 2009. Critically such a register would record levels of ownership of empty and un-let properties and multiple 'second homes' in a format which would greatly aid taxation and housing enforcement authorities both nationally and locally. It would also introduce transparency and aid public understanding of how all housing recorded as domestic residential stock is really being owned and used in England.



“ A national register of home ownership and usage would introduce transparency and aid understanding of how housing recorded as residential stock is really being used ”

notes

- 1 Ministry of Housing Communities and Local Government Housing Statistical Release, 24 May 2019: Long-term vacant dwellings numbered 216,186 on 1 October 2018, an increase of 10,893 (5.3%) from 205,293 on 2 October 2017. Long-term vacant dwellings are 0.9 per cent of the dwelling stock. There were a total of 634,453 vacant dwellings in England on 1 October 2018, an increase of 28,562 (4.7%) from 605,891 on 2 October 2017. Vacant dwellings are 2.6 per cent of the dwelling stock <https://bit.ly/2K09bAa>
- 2 *Empty Homes: Why do some areas have high levels* (2016) <http://www.actiononemptyhomes.org/publications-and-research>
- 3 *Community Action on Empty Homes: Using empty homes to regenerate communities* (2019) <https://www.actiononemptyhomes.org/publications-and-research>
- 4 *Coalition for Community Investment: How empty homes can help solve the housing crisis* (2019) <https://www.actiononemptyhomes.org/coalition-for-community-investment>
- 5 Ministry of Housing Communities and Local Government Housing Statistical Release, 24 May 2019
- 6 House of Commons Library: Empty Housing England Briefing Paper Number 3012, 29 May 2019 <http://researchbriefings.files.parliament.uk/documents/SN03012/SN03012.pdf>. Community Grants EH Prog Evaluation D Mullins University of Birmingham 2015: <https://www.birmingham.ac.uk/Documents/college-social-sciences/social-policy/SPSW/Housing/working-paper-series/HCR-WP-2-2015.pdf>
- 7 *Which? 'What will Brexit mean for house prices?'*, (also references HMRC data), Sep 2019: <https://www.which.co.uk/news/2019/09/what-will-brexit-mean-for-house-prices/>; *Guardian*, Aug 2019 (referencing report from Savills) <https://www.theguardian.com/business/2019/aug/08/uk-housing-market-at-its-weakest-point-in-a-decade-brexit-says-savills>
- 8 BBC News reporting RICS statistics on transaction levels falling re. Brexit, January 2018 <https://www.bbc.co.uk/news/business-46891182>
- 8 The UK Economy since the Brexit vote in six charts, *Financial Times*, October 2018: <https://www.ft.com/content/cf51e840-7147-11e7-93ff-99f383b09ff9>
- 9 *Guardian*, October 2018 'Brutalist market: Flats at London's Centre Point taken off the market' October 2018 quotes developer Almacantar citing Brexit and Action on Empty Homes commentary on this: <https://www.theguardian.com/business/2018/oct/31/brutalist-market-flats-at-londons-centre-point-taken-off-market>; *Daily Mail*, October 2018 'Centre Point becomes another of London's 'Ghost Towers': <https://www.dailymail.co.uk/news/article-6336713/Centre-Point-Londons-ghost-towers.html>
- 10 <https://www.actiononemptyhomes.org/facts-and-figures>
- 11 House of Commons Public Accounts Committee, June 2019, Military Homes, <https://publications.parliament.uk/pa/cm201719/cmselect/cmpublic/2136/2136.pdf>; *Daily Mirror*, July 2019: <https://www.mirror.co.uk/news/uk-news/thousands-empty-military-homes-lie-18205972>
- 12 MHCLG: Council Taxbase 2018, Local Authority Level Data: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/773483/LA_Drop_down_2018_rev.xlsx
- 13 Information Commissioner's Office: <https://ico.org.uk/for-organisations/guide-to-data-protection/guide-to-the-general-data-protection-regulation-gdpr/exemptions>
- 14 For details of 'second homes' numbers by local authority see the MHCLG Council Taxbase 2018, Local Authority Level Data: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/773483/LA_Drop_down_2018_rev.xlsx
- 15 *Hackney Gazette / Islington Gazette* 28 & 29 August 2019: Tens of thousands of properties sit empty in crisis-hit London <https://www.hackneygazette.co.uk/news/jeremy-corbyn-calls-for-second-homes-levy-as-thousands-of-properties-sit-empty-in-london-camden-southwark-hackney-islington-1-6239258>
- 16 *ComRes Research for Action on Empty Homes: MPs attitudes to Empty Homes and the Housing Crisis* (2018), Action on Empty Homes website, Publications and Research: <https://www.actiononemptyhomes.org/publications-and-research>
- 17 Letter to Kit Malthouse MP, Housing Minister, from Royal Borough of Kensington and Chelsea Council October 2018: This called for changes to EDMO rules and aspects of the cited approach have been welcomed by officers around the country as worthy of consideration, notably allowing an Empty Dwelling Management Order (EDMO) to be granted to a local authority on the basis that long-term lack of occupancy is anti-social and that proof of vandalism and decay of the property need not be proven at the Property Tribunal to obtain an EDMO. As reported on Radio 4 Today Programme 6th October 2018. A recommendation that ministerial guidance be amended was the proposed route for implementation. This was rejected by the Minister.



Our Aims

Action on Empty Homes campaigns for more empty homes to be brought into use for people in housing need.

Our aims are to:

- Raise awareness of the waste of long-term empty homes.
- Campaign for changes to national policy.
- Support local communities in transforming their neighbourhoods.
- Provide advice for those seeking to bring empty homes back into use.
- Research and develop ideas for bringing long-term empty homes back into use for those in housing need.



Action on empty homes

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