

# Action on empty homes

The Coalition for Community Investment

# How empty homes can help solve the housing crisis

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propertymark



# The Coalition for Community Investment

The Coalition for Community Investment in areas with high levels of empty homes was launched in July 2018. It brings together the social, public and private housing sectors alongside campaigning organisations such as Shelter, Crisis and Action on Empty Homes. The Coalition wholeheartedly supports calls for more social and affordable housing to be built but this is not happening fast enough. And all the time England's empties keep piling up, while housing benefit and temporary accommodation bills escalate.

Large amounts of low-quality housing that blights the lower end of the private rented sector is at risk of becoming the next generation of long-term empty homes. This is because of the low investment model some landlords in these housing markets operate. This housing is often made available to those in urgent housing need and on benefits - an example of spending good money on poor housing. Instead, investment in prevention is needed.

Empty homes don't just sit on streets across England, they blight communities, contribute to neighbourhood decline and, where concentrated, turn once-desirable areas into housing of last resort.

Increasing supply across all tenures is crucial to ending the housing crisis - but so is making the best use of existing empty homes. These can in many cases be brought into use relatively quickly, with planning delays rare or non-existent. Yet, since 2015, there has been no dedicated government funding for areas with high levels of empty homes.

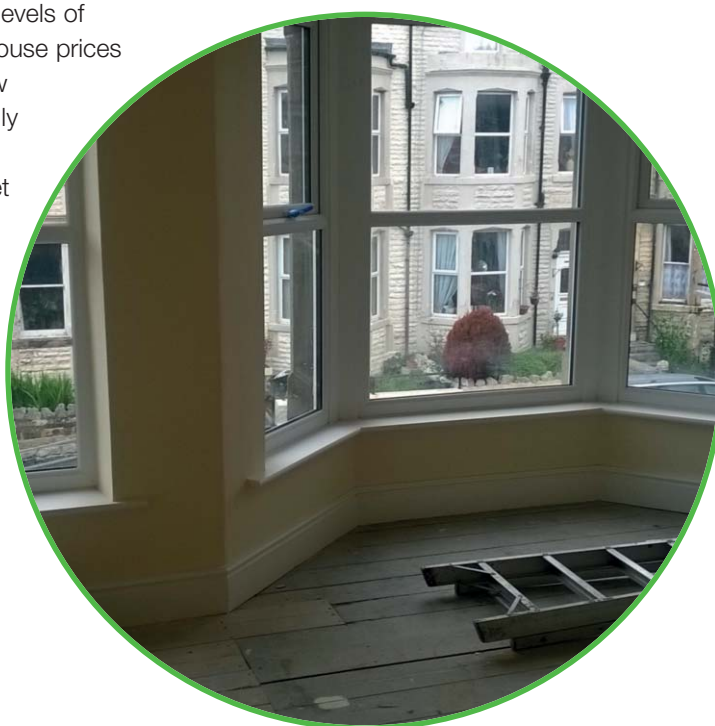
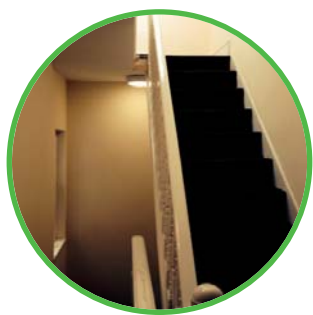
Those with housing choices leave, those with none find themselves trapped in substandard accommodation. As a result, increasing numbers of long-term empty homes fall into dereliction, raising renovation costs and making it more difficult to bring them back into use.

This document demonstrates what the problem is, how it affects England's communities, what parliamentarians think, and how Government can act to make this waste of housing become part of the solution to our current housing crisis.

Research by Action on Empty Homes revealed neighbourhoods with the highest levels of empty homes are places where house prices are lower and residents are on low incomes. There are also abnormally high levels of substandard private rented housing that does not meet the Decent Homes standard.<sup>2</sup>

## Did you know?

- **1 in every 30 homes** in England, currently has no one living in it.
- **1 in every 100** around 216,000 – are defined as 'long-term empty'.
- **Another 246,000** are 'short-term empty' (empty less than six months).
- **252,000 more** are declared to be 'second homes'.<sup>1</sup>





## The problem:

- **The waste of over 216,000 long-term empty homes in England at a time of acknowledged national housing crisis.**<sup>3</sup>
- The significant rise in the number of long-term empty homes since the end of targeted government funding in 2015.
- There are now over 16,000 more long-term empty homes in England than in 2016 and numbers have risen by over 10,000 in the last year.
- Long-term empty homes numbers rose in two-thirds of English local authorities in 2018.
- A lack of targeted Government investment to tackle empty homes since 2015.

## At the same time:

- **Over 1 million households are on social housing waiting lists.**<sup>4</sup>
- Over £1 billion is spent annually on housing 82,000 families, including over 123,000 children, in often unsuitable and overcrowded temporary accommodation.<sup>5</sup>
- Communities are blighted by thousands of empty homes, leading to a spiral of local decline.



## The wider context:

- **A housing shortfall of at least 1 million homes, growing annually.**<sup>6</sup>
- An unachieved Government target of 300,000 new homes a year. Every year.<sup>7</sup>
- A crisis of housing supply, affordability and quality:
  - Over 23,600 families allocated to ‘out of borough’ temporary accommodation, disrupting lives, damaging children’s education and reducing community support.<sup>8</sup>
  - Due to a lack of affordable housing government spends £23 billion a year on housing benefit, £9 billion on accommodation in the private rented sector.<sup>9</sup>
  - A higher vacancy level in predominantly low-quality pre-1919 terraced housing, in areas of industrial and commercial decline, including coastal towns.<sup>10</sup>

1 The MHCLG Statistical Release, 14 Nov 2018. MHCLG Council Taxbase 2018 in England Local Authority Level Data.  
2 Empty Homes (2018) ‘Empty Homes in England 2018’. Empty Homes (2016) ‘Empty homes: why do some areas have higher levels’  
3 The Ministry of Housing Communities and Local Government Housing (MHCLG) Statistical Release, 14 Nov 2018. MHCLG Council Taxbase 2018 in England Local Authority Level Data  
4 MHCLG Live Tables on Lettings on Rents, Lettings and Tenancies, January 2019, Table 600: Numbers of households on local authorities’ housing waiting lists.

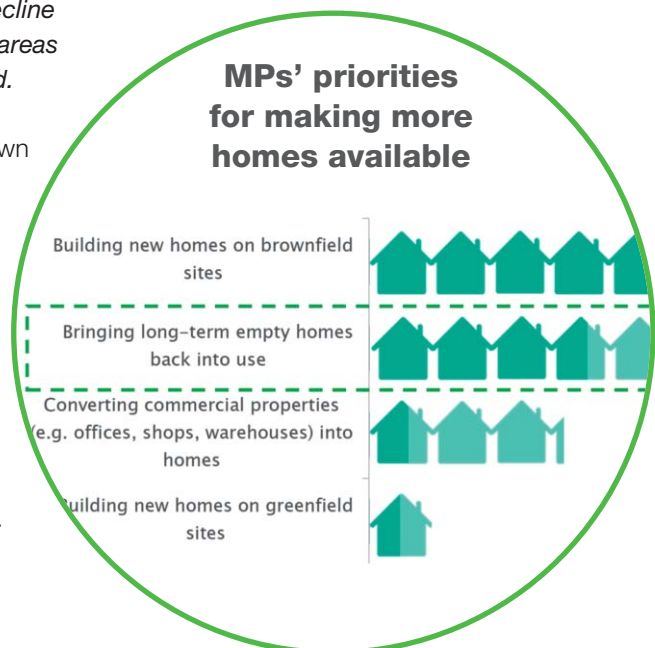
5 Shelter, Analysis of official data, June 2018  
6 MHCLG Statistical Release, 13 Dec 2018: Statutory Homelessness, April to June (Q2) 2018, England  
7 Parliamentary Research Briefings: Tackling the under-supply of housing in England. Research by Herriott-Watt University for National Housing Federation and Crisis, 2018  
8 *Ibid*  
9 *Observer*, Oct 2018 analysis of official Government statistics, also quoting Crisis and Shelter  
10 Office for Budget Responsibility, Welfare Spending: Housing Benefit

10 Empty Homes (2018) ‘Empty Homes in England 2018’. Empty Homes (2016) ‘Empty homes: why do some areas have higher levels’.

## MPs back our call for action...

ComRes polling of MPs commissioned by Action on Empty Homes shows huge cross-party parliamentary support for Government to take action on empty homes:<sup>11</sup>

- 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.*
- 77% 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.*
- 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.*
- 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.*



<sup>11</sup> ComRes Research for Action on Empty Homes: MPs attitudes to Empty Homes and the Housing Crisis (2018)

**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.”*



**Wera Hobhouse MP, Liberal Democrat  
Spokesperson on Housing Communities  
and Local Government:**

*“ Our country has a full-blown housing crisis with tragic consequences. Everyone in our country should have a decent roof over their heads. There are more than 216,000 long-term empty homes in England. Supporting local authorities to make these available is an obvious and achievable way for the government to start to tackle this mammoth problem.”*

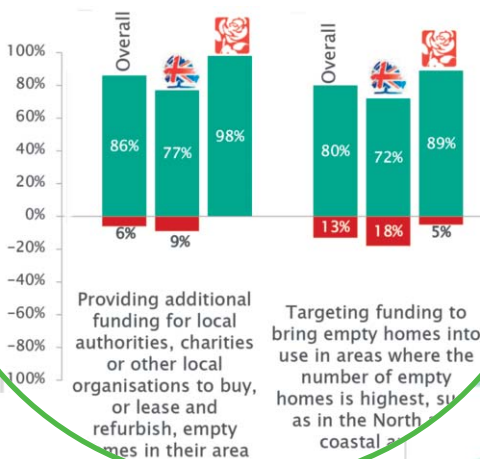


**Cllr Mark Dance,  
Cabinet Member for  
Economic Development,  
Kent County Council:**

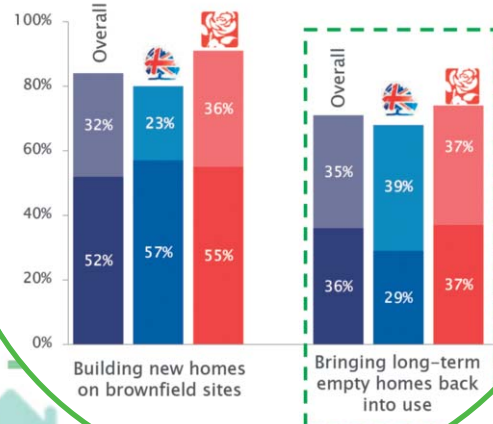
*“ We are very proud of our No Use Empty initiative which the Council is supporting with a £6m funding package which provides short term secured recyclable loans in order to bring long term empty homes back into use. More could be done with an equivalent sum being matched by the Government or a greater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



**MPs support  
for proposals related  
to empty homes**



**MPs' priorities for  
making more homes  
available**





## Residents' voices

### What's going wrong in areas where there are clusters of empty homes?

Carol, 35, and Jen, 67, residents and community volunteers, living in North Ormesby, Middlesbrough, discuss the toxic relationship between the shortage of social housing and concentrations of poor quality private rented sector homes in low-value areas:

*“There was a change in legislation a while back that allowed councils to discharge their statutory housing duty into the private rented sector but it wasn't meant to be on this scale.” (Jen)*

*“With the redevelopment of other areas neighbouring this area, and houses being knocked down, we ended up with a lot of the same sort of families, complex families, that needed a lot of intervention and support moving in here, where there was already a lot of that sort of families; because there's a lot of the same sort of stock, street houses with comparable low rents, a lot of private rented sector housing. So those people with housing needs all moved in here and it reached a sort of tipping point.” (Carol)*

*“But if you stick a family in a house that's falling down around them, how can you expect them to have hope and pride in the community they live in?” (Carol)*

*“Over the last 18-20 years, we've just gone faster and faster down. When my parents moved in here it was a desirable area. But now there's a lot of transient population. We're now one of the two worst neighbourhoods in Middlesbrough and that's come out of landlords buying up all the property. For some of those families, it's just like a holding cell until they can get sorted and get out.” (Carol)*

*“And now we've also got an older generation who are trapped in houses that they can't afford to do up and they can't afford to sell.” (Jen)*

*“And a lot of properties around here, when they are sold, they go to auction sites and they get bought by people down South, landlords who don't know the local market, or who just don't care really.” (Carol)*

### So what are the barriers to the regeneration of these areas?

*“Resources, money, you can't do the sort of regeneration that areas like this need for free, there's nothing consistently there in terms of funding.” (Carol)*

*“Obviously the Community Land Trust [in North Ormesby, Middlesbrough] have got some houses but it's just not enough, there's still too much stuff here that is low quality and is badly managed by landlords that aren't from around here and don't invest, because they expect the tenants to have no choices; and so a lot of tenants don't stay around longer than they need to - except those with no alternative, or those who think this is all they can get.” (Carol)*

**We spoke to residents, and to tenants of the projects which are bringing empty homes into use, about their experiences in the private rented sector in North Ormesby, Middlesbrough and Central Hull.**

### Absent landlords

*“Problem with privately rented around here is you never get anything done, the landlords are never around, they don't live around here, they just send an errand boy to collect the rent. They might come over once a year or something.” S, 42, Hull*



## Problems with shared accommodation

“What aren’t the problems with shared accommodation? There’s nothing good about shared accommodation. I don’t use the kitchen or that. But it’s all I can afford and there’s a long waiting list for decent council and social housing.” *K, 19, North Ormesby, Middlesbrough*

## Lack of investment

“[The landlord] He did one room downstairs. He started doing up one upstairs, then he gave up on it. He’s proper let it go. The top floor is proper demolished.” *N, aged 20, and currently unemployed, left an abusive relationship and found herself in low quality shared accommodation.*

## Housing insecurity is rife

“The last private landlord I had, there was no central heating and he was more than happy to collect the rent but not put in the central heating... then I got this letter from a man I’d never heard of saying he was the new owner and sending me notice to quit, alongside a new tenancy agreement for even more rent. So I left and had to find new housing.” *I, 65, Hull*

## But communities across England aren’t giving up – local people still want to make things better

“If you look at figures for the area they’re really bad, we top tables for child poverty and all that, but people who live here don’t see that. They’re still proud of their community; it’s a challenge but people still want to make things better. The state of the housing is a massive problem though.” *C, 35, Middlesbrough*

## Things can get better

“The change is there, as a result of houses being occupied, being better looked after. The area has improved.” *A, 55, has lived in the same area of Hull for many years, initially in the private rented sector.* “It was all re-done before we moved in, we’ve has no problem since we moved in. The only minor problems we’ve had were fixed really quick, like the same day.”

They’ve been really supportive.” *G, 19, North Ormesby, Middlesbrough is now a tenant of the local community housing project (North Ormesby CLT)*



“Ten years ago this wasn’t a good area to bring up kids but it is better now, there are problems everywhere - people can get in with a bad crowd, but now I feel that I can trust my neighbours with my kids.” *T, 45, Hull*

“They’ve got loads of abandoned houses into use [Giroscope in Hull], whereas lots of the private landlords around here just leave stuff empty for ages, or they just sell up and it just gets left empty. And they [Giroscope] have this scheme where they do food parcels, like a sort of foodbank, and that really helps.” *A, 26, Hull*

## It is not just about housing – but it starts with housing...

“Giroscope have got a garden project now, a community garden, that’s good, it was just overgrown before, wasteland really, behind the empty houses and that; now it’s being used, that’s good. It is an improvement.” *M, 30, Hull*

“There needs to be more of that positive work, looking after green space and that too.” *W, 30, Hull*

“It makes a difference when an area is properly looked after, you don’t want to be having to pick up bottles and needles and stuff around the park before your kids can play there. You end up just not letting them play there otherwise. Now it’s safer, so it’s better used. And the streets are better, and cleaner, too. But those sort of problems don’t just go away, you have to keep at it.” *T, 45, Hull*



## Spotlight on Community Solutions

### The Action on Empty Homes demonstration projects

Action on Empty Homes is working with six 'demonstration projects' in the north of England to show the value of community-based approaches to bringing empty homes into use.

Since 2016, these projects have housed vulnerable people in housing need in formerly empty homes, in challenging funding environments. This includes people in recovery, ex-offenders and vulnerable people living in insecure privately rented accommodation, or with friends and family.

This has been achieved while also contributing support and training to residents, local environmental improvements, work on community cohesion and supporting local enterprise, including working with local businesses.

Action on Empty Homes demonstration projects around the country bringing empty homes into use:<sup>12</sup>

- Cultures CIC working in Stockton on Tees<sup>13</sup>
- East Midlands CLH working in the Sincil Bank area of Lincoln<sup>14</sup>
- Giroscope Ltd working in Kingston upon Hull<sup>15</sup>
- Groundwork (Bolton, Bury, Rochdale and Oldham) working in Rochdale<sup>16</sup>
- Methodist Action North West working in Darwen, Lancashire<sup>17</sup>
- North Ormesby CLT working in Middlesbrough.<sup>18</sup>

### Methodist Action North West

Methodist Action North West (MANW), based in Preston show that community solutions can deliver both scale and value for money.

MANW used £1m in grants under the last national empty homes programme to renovate 107 properties and lease these for those in housing need from the owners who had previously left them long-term empty for an average of three years.

Additional benefits included:

- Drawing £706,260 additional private investment into the local economy (from property owners).
- Working with local businesses on the renovation projects – also offering training and opportunities.
- Delivering environmental improvements and wider community benefits.
- Providing homes for over 400 people who would otherwise be homeless or in temporary accommodation.



<sup>12</sup> Action on Empty Homes (2018): Community-based approaches in areas with high levels of empty homes

<sup>13</sup> [culturescic.wixsite.com/cultures-cic](http://culturescic.wixsite.com/cultures-cic)

<sup>14</sup> [emclh.co.uk](http://emclh.co.uk)

<sup>15</sup> [giroscope.org.uk](http://giroscope.org.uk)

<sup>16</sup> [www.groundwork.org.uk/sites/bbor](http://www.groundwork.org.uk/sites/bbor)

<sup>17</sup> [www.methodistaction.co.uk](http://www.methodistaction.co.uk)

<sup>18</sup> [north-ormesby-clt.org.uk](http://north-ormesby-clt.org.uk)

[www.nondet.org.uk](http://www.nondet.org.uk)



## Community Campus, Teesside

**Community-based housing organisations don't just bring empty homes back into use, they re-build communities and transform lives.**

Community Campus, based in Teesside, is a great example of what can be achieved. These case studies highlight the transformational effect that community-based approaches to tackling empty homes can have for individuals.

*[Names have been changed to protect the privacy of those quoted, many of whom have overcome significant personal challenges]*

■ Steve was in full-time college when he heard about Community Campus:



"I couldn't get an apprenticeship, so I decided to go to college full-time to gain a trade. Then Community Campus came to the college and I was picked for a work placement. I did five months of work placement, two days a week on site and three days in college. Then I was told I had been successful in gaining a place on Campus's apprenticeship programme. First year no problems, second had a good year until I was hospitalised with burst appendicitis - I suffered further complications and had to be off work for two months. Campus worked with me to get me back up to speed and I completed my apprenticeship. In my time at Campus, I was given the opportunity to supervise a site and also did some training to enhance my experience of supervision. I have now managed to get a new job staying in my trade of joinery on a local site."

■ Clare arrived at Community Campus as a homeless teenager and is now working to support other young people with the kind of problems she experienced:

"My mother had mental health problems which made it difficult to live at home and when I was just seventeen I found myself to be homeless. The Council referred me to Community Campus. who were able to offer me a place in a



shared house, living with one other person. I did not know them and was not sure what to expect but with the help of my support worker we managed the house reasonably well and became friends.



"As my confidence and ability to manage the property and myself grew, the support reduced and I moved into my own property with Campus and had full control and responsibility for bills. This was tough at first and I got myself in a mess financially a few times but with support got things back on track. My relationship with my mother improved and I was able to start to take more of a role in caring for her and keeping her safe. The time spent at Campus was important in my personal development and laid the foundation for where I am now."

■ Chris came to Community Campus as a young homeless adult:

"My mum died suddenly and I was really shocked and upset by this. It caused a lot of problems between me, my brother, and my stepdad. Not long after my mum died my stepdad threw my brother out and he ended up in bed and breakfast in a horrible dingy room with a broken window. I continued to live with my stepdad but our relationship was not good and eventually, he forced me to leave too. My brother had managed to get a place to stay at Community Campus and he let me stay with him.

"My brother took me into Campus though and with their help I managed to secure a flat. Community Campus has changed my life in so many ways, they've got me to do things for myself such as filling in forms and making important phone calls which I never did before as I didn't have the confidence and would get other people to do them for me. They have been like a family. I know I can go there if I need someone to talk to."

## Ending the waste...

### We know what works

Previous funding streams were effective. The Coalition Government's £200 million Empty Homes Programme (2012-15) returned almost 10,000 homes to use in 3 years at a cost of around £24,000 per home.<sup>19</sup>

- As part of this programme, leasing schemes in areas including the East Midlands and North West returned long-term empty homes to use for those in housing need with capital grant support of between £10,000 and £17,000 per home (this grant input will generally have been match-funded).

- Schemes such as these involve renovating and improving empty homes, which are then leased to either community-based local housing providers or local authorities to house those in most housing need locally.
- Some schemes also used capital grants to purchase empty property, helping maintain the long-term sustainability of community housing providers.



<sup>19</sup> House of Commons Library Briefing Paper, Number 3012, June 2018: Empty Housing (England) Section 5.1

## Targeted investment is needed

The Coalition for Community Investment wants Government to champion community-based neighbourhood regeneration through investment to fund improvements to existing empty housing stock.

Our work with demonstration projects around the country has shown us that where funding is available, and a focused area-based approach is taken, powerful partnerships can flourish between local councils and community organisations, including charities and social enterprises.

### Government should target this investment at areas with high levels of long-term empty homes

The investment should be channelled through local authorities. It should support proposals that focus on community-based approaches and local partnerships. These would buy or lease and refurbish privately owned empty homes, bringing them back into use as truly affordable housing.

### Funding needs to be provided flexibly to support a variety of schemes developed locally

Priority should be given to proposals which promote the best use of local supply chains and support local economic regeneration. Investment should be supported by wider neighbourhood improvements to tackle the underlying causes of empty homes and support local councils' enforcement programmes.



## Making a major impact

Making a major impact requires ambitious targets as well as meaningful investment. This is above all an issue of 'investing to save' for national and local government.



### New investment could include:

- **Funding an initial group of ten partnerships** with £50 million in total to return over 2,500 long-term empty homes to use. (Assuming local match-funding for capital grants elements.)
- **Offering targeted regional funds of £25 million** would bring up to 1,000 empty homes a year back into use.
- **A longer-term fund, or finance facility, of £450 million** could reasonably be expected to bring 20,000 homes back into use.

**England's under-invested communities need support. It's time we stopped condemning viable neighbourhoods to decline.**

**Let's end the waste of empty homes today and invest for tomorrow.**



**The Coalition on Community Investment**  
is coordinated by **Action on Empty Homes:**

**Core members:**

- ARLA/NAEA Propertymark (The Association of Residential Letting Agents and National Association of Estate Agents)
- Federation of Master Builders
- Locality
- The National Community Land Trust Network
- The Northern Housing Consortium
- The Residential Landlords Association

**Supporters:**

- Crisis ■ National Housing Federation ■ Shelter

Action on Empty Homes

200A Pentonville Road, Kings Cross, London N1 9JP

T 020 7832 5808

**www: [actiononemptyhomes.org](http://actiononemptyhomes.org)**

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Giroscope, Hull [www.giroscope.org.uk](http://www.giroscope.org.uk),

Kent County Council, No Use Empty Initiative [www.no-use-empty.org.uk](http://www.no-use-empty.org.uk)

Methodist Action North West [www.methodistaction.co.uk](http://www.methodistaction.co.uk)

Stratford District Council, working as part of the West Midlands Empty Property Officers Group

Kent County Council, No Use Empty Initiative [www.no-use-empty.org.uk](http://www.no-use-empty.org.uk)

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