

Action on empty homes

Pretty Vacant Manchester

Is Manchester building the wrong housing?
Examining emptiness and under-utilisation in
Greater Manchester housing and what this tells
us about addressing our housing crisis

Defining emptiness and data sources

In researching this report Action on Empty Homes looked at the categories of statutory vacancy data available via local authorities' annual Council Taxbase¹ submissions to Government. This is the standard data set used by Government and Office for National Statistics (ONS) statisticians to report on vacancy.

Long-term empties defined

Within this data, long-term empty homes are defined as any home that has been vacant for over six months and that is not covered by one of the council tax exemption categories, nor classified as a 'second home'. The exemption categories comprise what might be called 'legitimately empty homes' – such as those

empty because the owner has gone into care, or as a result of death of the owner (the latter category alone making up around a sixth of total vacant homes nationally,² if so-called 'second homes' are discounted).

National statistics for vacancy, including dwelling stock estimates, are all based on this data set – as are statistics for what are called 'second homes'. All national statistics list 'second homes' as a separate category from vacant dwellings. Currently, based upon the 2021 Council Taxbase, the second homes category comprises around 253,000 homes nationally, while an additional 650,000 are recorded as vacant in total. England's quarter of a million or so long-term empty homes are a subset of this 650,000 figure.³

Second homes and total vacancy

However there is no requirement to prove that a 'second home' is used in any way; all we know is that it has no primary residential use on an ongoing basis. This is explored further in the report.

Our definition of homes we know to be removed from primary residential use on a long-term basis, therefore includes both long-term vacants and so-called 'second homes'.

While an accurate figure for total vacancy, or homes classified as residences but not currently in primary residential use, would, at a national level, be the total number of second homes plus the total number of all vacants – a figure in excess of 900,000. This would include the 650,000 total vacancy figure plus around 250,000 so-called 'second homes' – or furnished empties.

Contents

- 1 Defining emptiness and data sources
- 2 Contributors
- 3 Defining vacancy in Greater Manchester
- 6 Airbnb and short lets
- 8 Discussion arising from seminar on under-utilisation
- 11 Discussions with Council Officers – the second home conundrum
- 13 Discussing Manchester's development model with councillors
- 15 Conclusions and recommendations

Contributors

Organisations consulted

Local authorities in Greater Manchester

Bolton, Bury, City of Manchester, Oldham, Rochdale, Salford, Stockport, Tameside, Trafford and Wigan.

Action on Empty Homes held a seminar and discussion for officers with responsibility for empty homes in Greater Manchester.

This involved officers from Bolton, Salford, Trafford and Wigan and was facilitated by Will McMahon, Director of Action on Empty Homes and Adam Cliff, the national coordinator of the Empty Homes Network of council Empty Homes Officers.

This was followed up through further research with individual officers and relevant local authority departments across Greater Manchester, including revenue or Council Tax collection departments.

Action on Empty Homes also conducted research with council Cabinet Members with responsibility for housing.

Public online seminar

Action on Empty Homes held a public online seminar and discussion for housing researchers, local campaigners and academics entitled '*Vacancy and Under-Utilisation of Housing in Greater Manchester*'

The seminar was supported by Greater Manchester Housing Action and organised in collaboration with the Department of Social Sciences at the University of Manchester.

Speakers included

- **Dr Richard Goulding**, University of Sheffield, co-author of 'From Homes to Assets, Housing financialisation in Greater Manchester'
- **Dr. Luke Yates**, Dept of Sociology, University of Manchester, author of 'The Airbnb "movement" for deregulation', The impact of short term lets
- **Chris Bailey**, Campaigns Manager at Action on Empty Homes and author of 'Empty Homes in England' (2019)

Other contributors included

- **Dr Jonathon Bourne**, University College London, author of 'Empty homes: mapping the extent and value of low-use domestic property in England and Wales' (2019)
- **Prof Roland Atkinson**, University of Sheffield, Author of 'Alpha City, How London was Captured by the Super-Rich'
- **Dr Stuart Hodkinson**, University of Leeds, researcher on 'the new urban enclosures'
- **Suzanna Fitzgerald**, Transparency International UK and UK Anti-Corruption Coalition
- **Andrea Gibbons**, University of Salford, co-lead of the Salford Anti-Poverty Task Force.
- **Dr Mercy Denedo**, Durham University, author of 'Stigma and social housing in England' (2021, Chartered Institute of Housing)

Action on Empty Homes wish to thank all the individuals and organisations who contributed to this project, whether through attending the public online seminar, taking part in the seminar for local authority officers, attending research interviews or responding to written enquiries conducted as part of this project. Action on Empty Homes is grateful to the Evan Cornish Foundation for supporting this project.

"There is no requirement to prove that a 'second home' is used in any way; all we know is that it has no primary residential use on an ongoing basis – no one lives there"

Defining vacancy in Greater Manchester

For Greater Manchester, as for the country, the vacancy picture changes according to the categories of housing data included. Including so-called second homes with no primary residents doubles vacancy rates from around one in a hundred to around one in 50.

In the City of Manchester, which contains around a fifth of Greater Manchester's housing stock, this comparison is particularly pertinent since around 5,000 empty homes changed status from long-term empty to be classified as so-called 'second homes' in 2011/12, just as council tax empty homes premiums began to be introduced.

In 2011 the City of Manchester submitted data to the Government stating that it had 8,093 long-term empty homes and 579 'second

homes'. A year later the same Council Taxbase data submission for 2012 recorded only 3,792 long-term empties, while 'second home' numbers soared to 5,440.

By 2013 the data submission recorded just 2,661 long-term empty homes and 5,946 'second homes'. Eight years later in 2021 long-term empties stood at 2,130 while 'second homes' stood at 5,894.

Manchester's empty and second homes

We explored this conundrum further in discussions with council officers, but it serves to illustrate at a headline level what a simple issue of definition can do to elucidate or obfuscate the even simpler reality that neither of these

Table 1a: Manchester – All vacants

All Vacants	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
	12,300	11,116	7,201	5,399	4,813	3,932	3,716	3,787	3,732	3,762	4,046
Non LTEH Vacants	3,451	3,023	3,409	2,738	2,817	2,333	2,351	2,463	2,600	2,544	2,591
Long-term Empties	8,849	8,093	3,792	2,661	1,996	1,599	1,365	1,324	1,132	1,218	1,455
Second Homes'	591	579	5,440	5,946	5,739	5,432	5,350	5,191	6,013	6,225	6,671

The data for Table 1a is taken from Local Government Council Taxbase 2010 – 2020; image below taken from Slide by Chris Bailey (Action on Empty Homes) from the 'Vacancy and Under-Utilisation in Greater Manchester Seminar' held in October 2021 in collaboration with the School of Social Sciences, University of Manchester⁴. The official 'all vacants' data line (top) does not include homes in the 'second homes category, nor does it include council tax exempt empty homes.

Table 1b: Manchester's hidden long-term empties

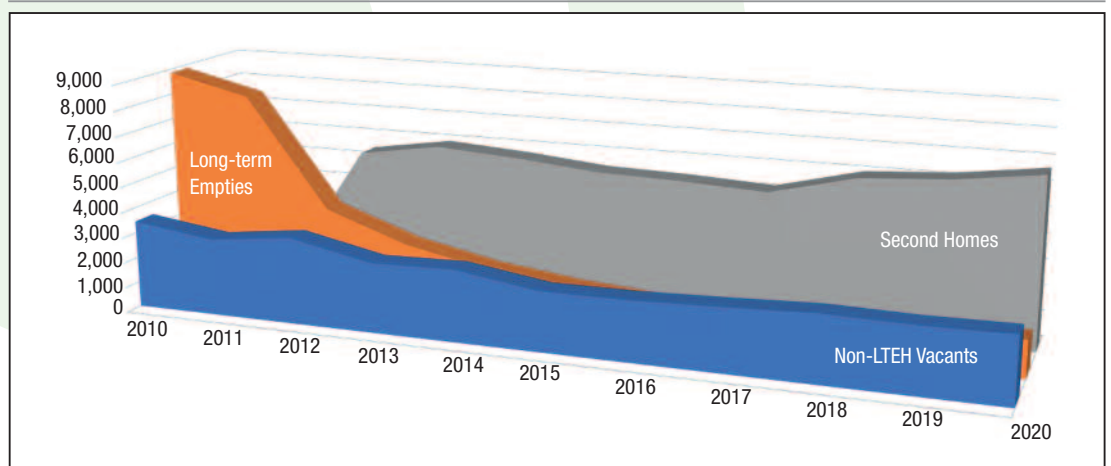


Table 1c: Now you see them now you dont – the grey area of so-called second homes

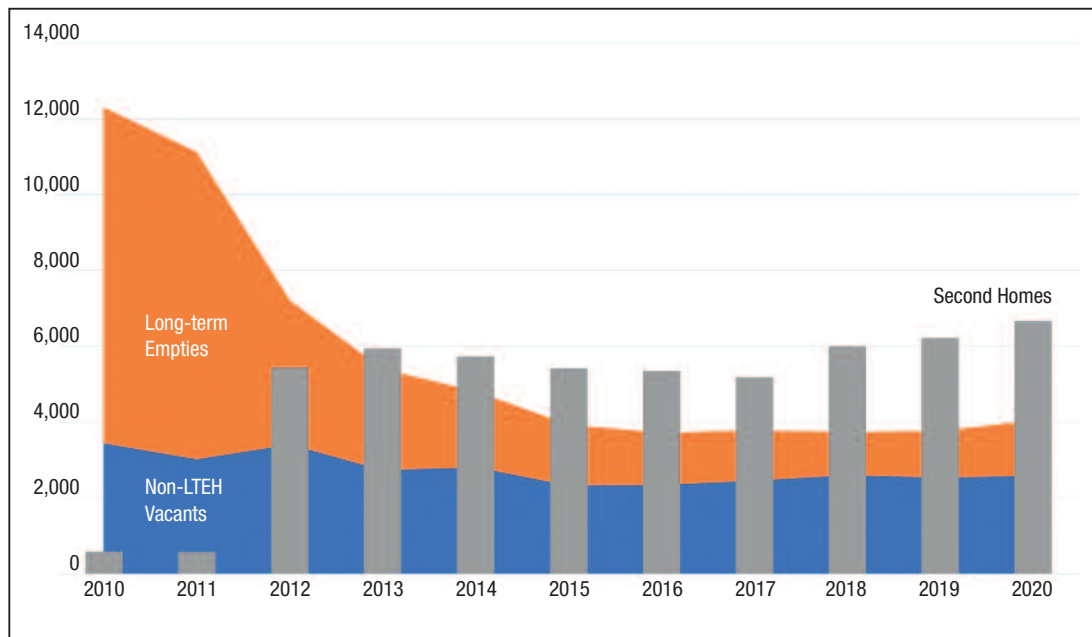
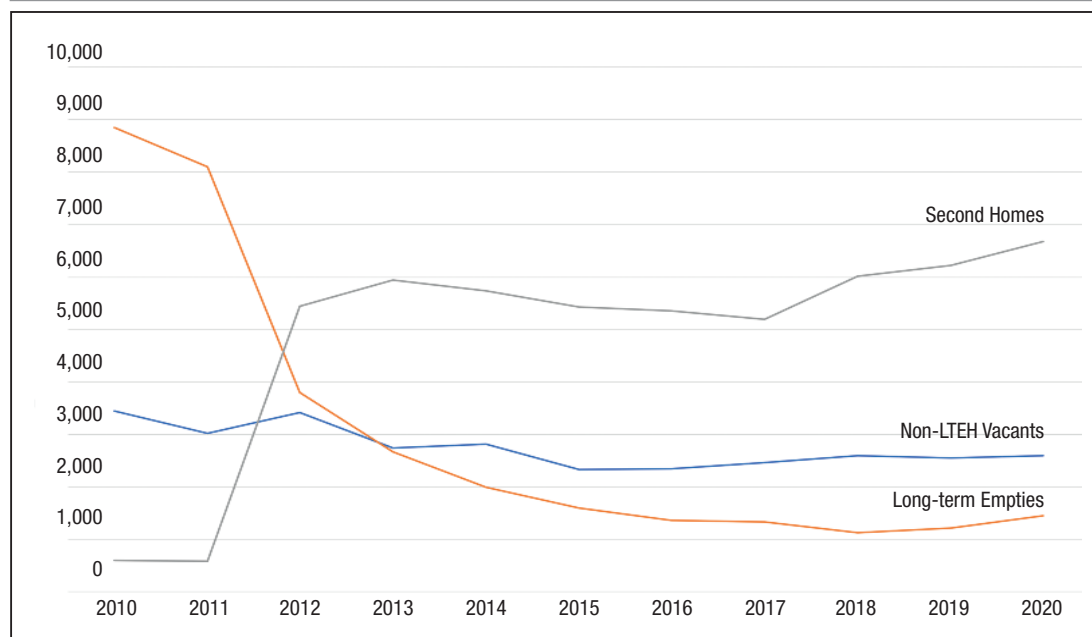


Table 1d: You can't hide houses from Council Tax - or can you?



categories of home – long-term vacants or ‘second homes’ – have any primary residential use. No one lives in them. These are homes without residents.

Tables 1a – 1d illustrate this change in data classification and show how while non-long-term empty vacants labelled ‘Non-LTEH Vacants’ remain relatively stable, the movement of homes between the ‘Long-term Empties’ and ‘Second Homes’ categories enormously impacts the official level of ‘All Vacants’ as

shown in Table 1a. Hence, as a result, the official level of vacancy ceases to reflect the reality of how many homes are in fact no longer in primary residential use in the City of Manchester.

In essence it appears that a policy designed to reduce numbers of empty homes through the introduction of the Council Tax Empty Homes Premium, in fact simply made 5,000 or so homes disappear through data re-classification as so-called ‘Second Homes’.

**What about other areas?
Nothing quite so dramatic**

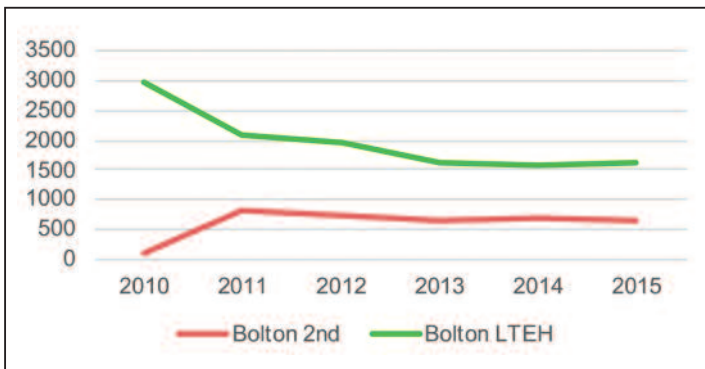
While other boroughs within Greater Manchester demonstrated some slight change in the respective proportions of the two categories of long-term empty homes and second homes over this period, no other

borough within Greater Manchester came close to the dramatic turnaround which took place in the City of Manchester in 2011/12. All apparently due to what officers describe as an effort to 'more accurately classify' homes that might become liable for Council Tax Empty Homes Premiums.

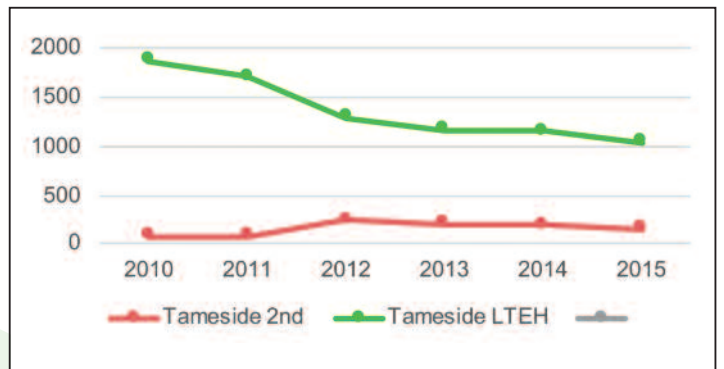
Table 2: What about other areas – Nothing quite so dramatic...

Comparative graphing for a selection of Greater Manchester boroughs follows – based on data slides presented by Chris Bailey of Action on Empty Homes at October 2021's Manchester Vacancy and Under-Utilisation seminar.

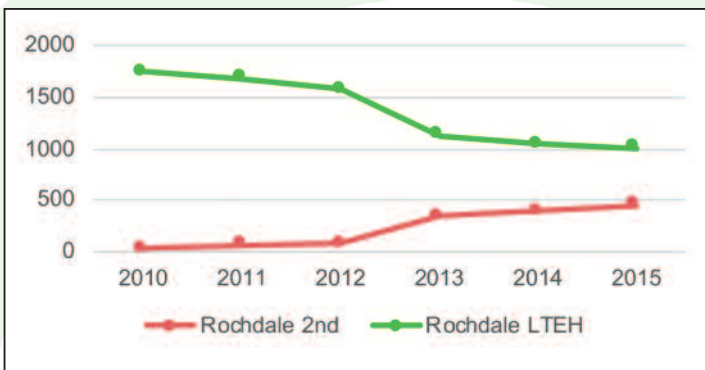
Bolton Second Homes (2nd) and Long-Term Empty Homes (LTEH)



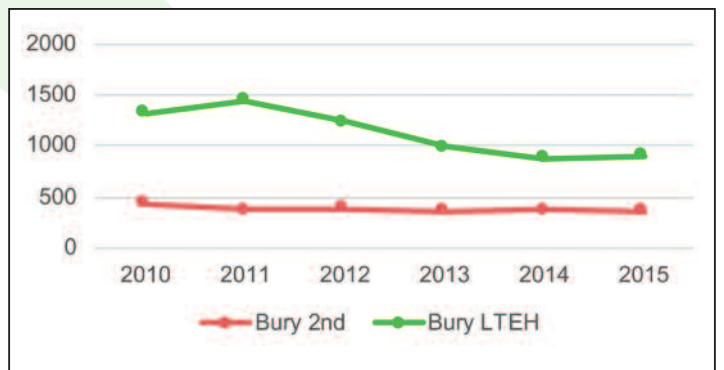
Tameside Second Homes (2nd) and Long-Term Empty Homes (LTEH)



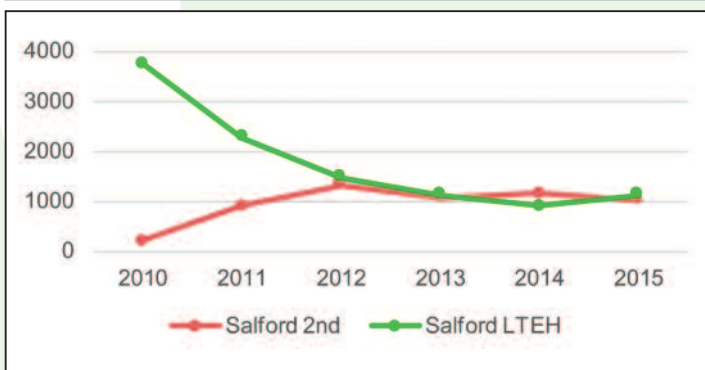
Rochdale Second Homes (2nd) and Long-Term Empty Homes (LTEH)



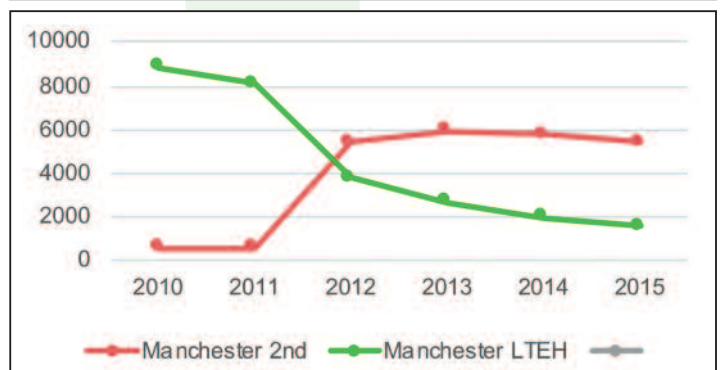
Bury Second Homes (2nd) and Long-Term Empty Homes (LTEH)



Salford Second Homes (2nd) and Long-Term Empty Homes (LTEH)



Manchester Second Homes (2nd) and Long-Term Empty Homes (LTEH)



Across Greater Manchester these two data categories account for 23,276 homes, or around 1 in every 50 homes. This is a number similar to the national average for unused homes; though in the North West the regional average for long-term empty homes is generally significantly higher than the national average and the second homes level a little lower.

What makes the City of Manchester different?

The City of Manchester is a significant exception to this generalisation, in that second homes are now more numerous in the City than long-term empty homes by a ratio of almost three to one, following the re-classifications which took place around 2011/12.

In the wider Greater Manchester area (comprising the City of Manchester and nine other boroughs) the exact vacancy level is one in 54 not in primary residential use long-term.

While across the North West the comparative number is on average one in 49.

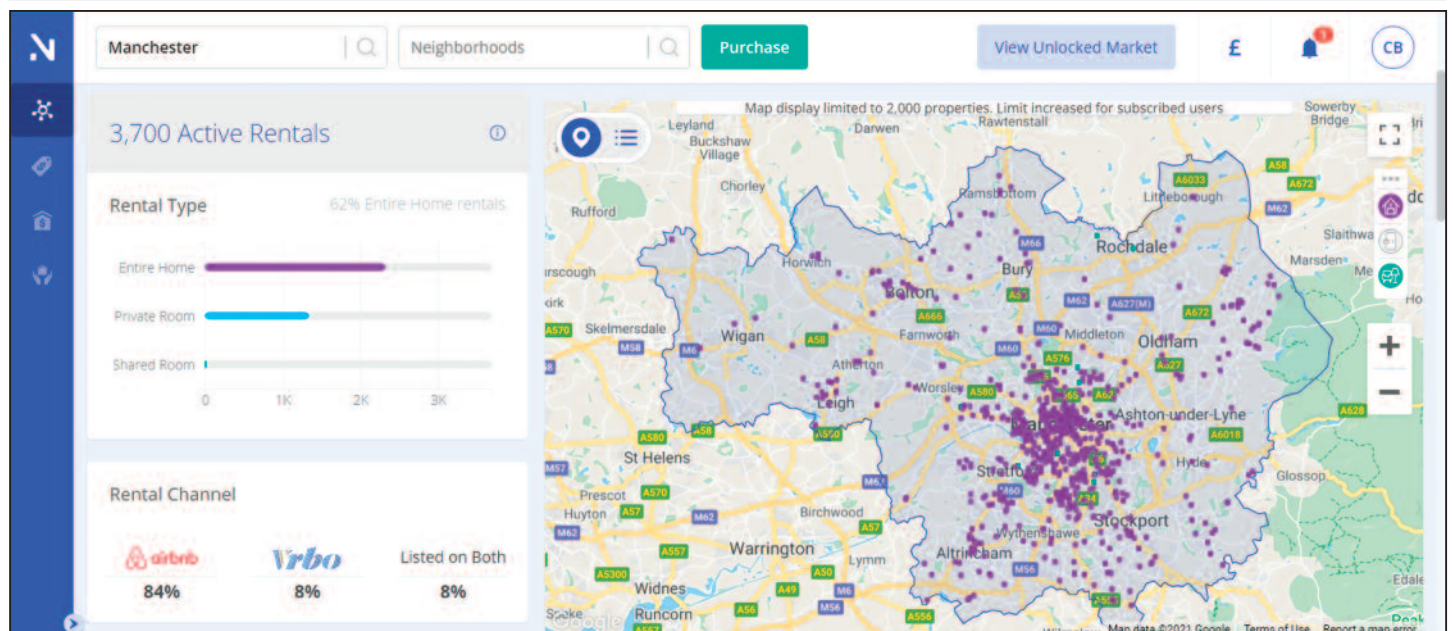
The North West's highest levels of vacancy are in South Lakeland (1 in 12) and Eden (1 in 15). Meanwhile, the highest levels in Greater Manchester are in the City of Manchester itself, where the long-term vacancy rate is recorded as one in every 30 homes. This represents a total of 8,024 homes out of primary residential use long-term as either long-term empties or 'second homes'.

Airbnb and short lets

Airbnbs and short lets do not appear in statutory data since these are largely unregulated and are not licensed at present.

This means that speculation about the levels of such homes is rife, with local reports suggesting high levels in newer developments in Manchester's city centre.

Table 3a: Table 3a: Airbnb in Manchester, active 'whole home' rentals, October 2021, Data source: AirDNA

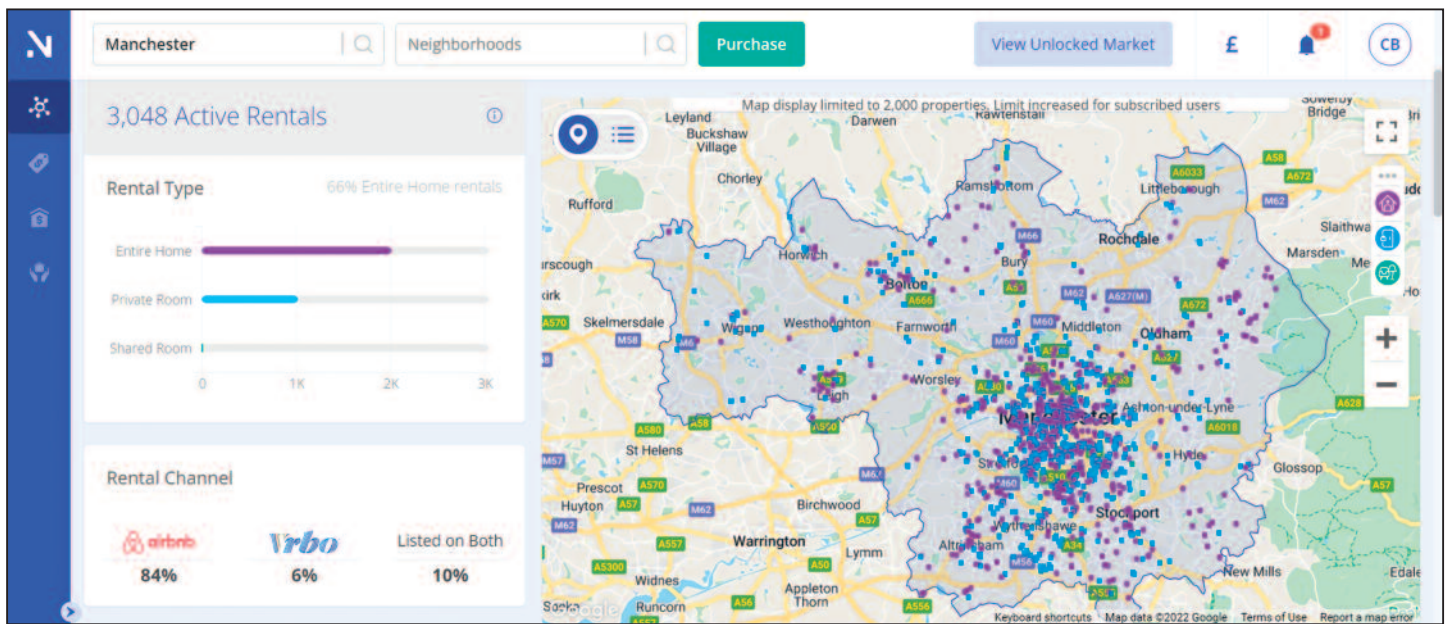


‘in the City of Manchester the long-term vacancy rate is one in every 30 homes. This represents a total of 8,024 homes out of primary residential use’

Snapshot data based on commercial tracking sites shows between 3,000 and 5,000 listings with around two-thirds recorded as 'whole

home' rentals. These short-let rentals are concentrated within central areas of the city.

Table 3b: Airbnb in Manchester, all active rentals, February 2022, Data source: AirDNA



'Between 1994 and 2019 the City of Manchester experienced a net loss of 12,007 social homes'

Discussion arising from our seminar on under-utilisation

Dr Richard Goulding opened our discussion on under-utilisation with the observation that understanding the type of newbuild supply was key to understanding utilisation in central Manchester and its likely future impact on housing need.

What is Manchester building?

Dr Goulding noted that very low levels of social housing construction were a feature of recent developments. Within 24,000 units permitted in recent years, up to 8,000 could be officially classified as 'affordable'.

However only 151 were actually social housing units. Indeed in 2017/18 out of just under 3,000 units constructed 28 were social rent homes, while over half of these 24,000 units overall were destined for the private 'build to rent' sector.

Meanwhile social housing stock declined significantly, mainly as a result of unreplaced Right To Buy sales and a limited number of demolitions – some of which are still continuing – in areas such as 'the Northern Gateway'.

Manchester's lost social homes

Between 1994 and 2019 this has led to a net loss of social homes in the City of Manchester of 12,007. Set against this, 13,000 people were awaiting social housing in the City by the end of this period – with 5,000 defined as in priority need and approaching 1,500 households placed in Temporary Accommodation.

Built-in vacancy

Mike Halley, of Greater Manchester Housing Action, also commented on housing developments with what could be called 'built-in' vacancy – for example purpose-built student

developments. There was also commentary on developments sold 'off-plan' to overseas investors, including in one quoted example a whole building sold to Chinese investors.

This issue was also mentioned by some council officers and has been brought up in interviews in the national media – notably by Adam Higgins of Manchester-based developers Capital and Centric, when interviewed in Metro during December 2020.⁵

Higgins is quoted in Metro saying, "We've done our own research – we think something like 76% of properties in the UK are being

'13,000 people were awaiting social housing in the City – with 5,000 defined as in priority need and approaching 1,500 households placed in Temporary Accommodation'





targeted at investors and only about 2% of apartments [in Manchester] coming onto the market are being targeted specifically at owner-occupiers”.

“It’s not necessarily a bad thing, I just don’t think there’s a very balanced approach”.

“I think more emphasis needs to be put into trying to create long-term sustainable communities where people are invested in their own city.”

Where has all the money gone?

Goulding noted that the low levels of homes being built for social rent were despite significant Section 106 payments yielded by Central Manchester development. During the last three-year period these totalled over £9.5m.

Dr Goulding and Dr Jon Silver have documented this across a series of reports produced for Greater Manchester Housing Action.⁶ They have also written about their findings in local media including ‘The Meteor.’⁷

Goulding noted that this was a medium-term trend across a period when central Manchester had seen significant levels of development.

Is central Manchester being hollowed out, or partied out?

There is speculation by commentators that cities such as Manchester are being ‘hollowed out by vacancy’, though local politicians tend to counter this argument with respect to central Manchester by arguing that the city centre traditionally had low levels of residential occupancy prior to recent periods of intensive redevelopment. They argue that it is simply the case that development has focused on providing accommodation for groups who want to purchase or rent city centre apartments, whether to live in ‘full-time’, ‘part-time’, or to use as leisure investments.

What is less easily contestable is that the developing residential profile of central Manchester is one that features high levels of ‘partial occupancy’ – whether in terms of student accommodation, or ‘residential units’ predominantly let on the short-let market.

The new forms of development that aren’t quite homes

Various new types of development are currently emerging, including proposals for co-housing developments featuring shared facilities and small units as a sort of next step from student accommodation. However such developments are arguably a way of not building full-sized homes while maximising rental yields from city centre sites, as ‘real housing’ is simply squeezed out of high cost city centre sites.⁸

The ‘sharing economy’ that steals our homes

Dr Luke Yates noted that in common with other ‘high demand’ areas of the UK, Manchester has seen a massive growth in Airbnb listings in the last five-year period, including a 400% growth in Airbnb listings between 2016 and 2020. During this period the sector has also ceased to be

characterised by a 'sharing economy' model and increasingly has become dominated by a multiple-property 'professional' landlord model. This is marked by a smaller number of owners managing large numbers of whole-home rentals, often using professional management services, rather than operating via the initial live-in 'host' model – which now represents only a small minority of Airbnb rentals

The 'movement for deregulation'

He also discussed how the platform has increasingly moved to use 'landlord activists' under the guise of 'Airbnb community organisers' to lobby for further deregulation at City and national levels and to support supposed good use of housing resources on a 'shared economy' model, while the platform has in fact increasingly become a way of delivering investor returns from property sucked out of residential supply. The result is the reduction of residential supply, while proposing to make better use of it.

The impact of Airbnbification

He suggested that up to 7,000 housing units may already have been sucked out of residential supply in the city by Airbnb use. While estimates of Airbnb's potential impact across the city region over the next five-year period suggest the impact could be to lock up to 35,000 residents out of long-term housing rental markets if the short-let market is not regulated or limited. Quoting an example of this trend, he noted how, in one street in Moss Side, 5 of the last 8 house sales had been purchased by the same Short Let Rental Company.

In this context, it is notable that outside the City of Manchester other areas featuring high levels of homes classified officially as 'second homes' – or 'furnished empties' – include notable leisure hotspots, such as South Lakeland (with a 6.9% second homes occurrence level), Eden (at 4.7% occurrence) and Allerdale (at 2.71%), with Copeland in Cumbria at 2.58%.

While within the Greater Manchester area covered by this report only Salford with its recent Media City developments comes anywhere close to the City of Manchester's 2.44% second home occurrence level; however Salford's level of 1.55% is still significantly lower.

Looked at in this context, the City of Manchester's furnished empty or 'second homes' seem to fit within a pattern that has more in common with areas where the acquisition of homes is driven by leisure investors rather than by a more traditional residential market.



Discussions with Council Officers – the second home conundrum explored

In our discussion with Empty Homes Officers from boroughs outside the City of Manchester we saw evidence of Airbnb / short let use spreading beyond the city centre and impacting supply, as well as discussion of long-term empty homes sheltering within the furnished empty or 'second home' category.

Interestingly, in follow-up enquiries we heard of at least one Greater Manchester local authority applying a limit on 'second home' claims to one second home per owner. Whereas proliferation of second homes under the same ownership has been proposed by some officers around the country as evidence of the problems of the ill-defined categorisation.

Indeed, Council Tax officers in several authorities described the main feature of the 'second homes' category being the notion that the Empty Homes Council Tax Premium was not (legally) chargeable on furnished empties, with City of Manchester officers noting the significance of this in the re-classification of so many supposedly long-term empty homes as second homes in 2011 / 12.

Is the second home category a lost revenue opportunity for councils?

Given the subsequent continuation of this level of 'second homes' in the City of Manchester (where there has never been less than 5,000 second homes since 2011), it is worth reflecting that this represents a revenue loss after ten years of second home classification for over 5,000 previously long-term empty homes which could easily run to tens of millions of pounds of lost income.

What was also notable in these discussions was, first, that verification and classification fell to Revenue Collection (Council Tax) departments rather than to Empty Homes Officers and secondly, that in most areas there was a high degree of self-declaration by owners – with limited appetite for verification of second home status by revenue departments where council tax was being paid at the standard level.

When is a second home not a home at all?

Indeed, it was noted that following a ten-year period where local authorities, such as the City of Manchester, had seen a 38% reduction in expenditure there was unlikely to be officer time available for speculative checks on property defined as being in a category that paid full council tax (if not a premium). Whereas a property ceasing to pay a premium, or disputing the initial charging of a premium on grounds of occupancy, was more likely to require verification – though again with no necessity for a visit unless 'intelligence' such as complaints by neighbours suggested the need for this.

The Council Tax Premium is not a Vacancy Tax

It might therefore appear that the Council Tax Premium is viewed within many councils' revenue departments as a punitive charge to be levied against a minority wilfully abusing the ownership of property, rather than as a vacancy tax to be levied simply because a property is out of residential use long-term. Empty Homes Officers might tend to have a more aggressive view and to support broader charging, particularly if they were able to retain premiums to fund housing projects or work to bring empty homes into use. This however is not the case.



This distinction in attitude may grow more significant as levels of property residualised into vacancy continue to increase in a market featuring an aging population of owner-occupiers. While both first-time buyers and investors, as well as the developers servicing them (and arguably the Government agencies subsidising development for this market) appear to have a marked preference for newbuild. Additionally, we see evidence of some investors utilising newbuild acquisitions to generate returns from non-residential use.

Signs of change?

One Greater Manchester Council Tax department expressed interest in how the one billing authority nationally which has formally abandoned the second homes category has done so. That billing authority is the London Borough of Haringey. However in 2021's national Council Taxbase data two other

authorities submitted zero numbers for second homes - though both these boroughs, Bracknell Forest and North Warwickshire, had traditionally reported low numbers of second homes to Government.

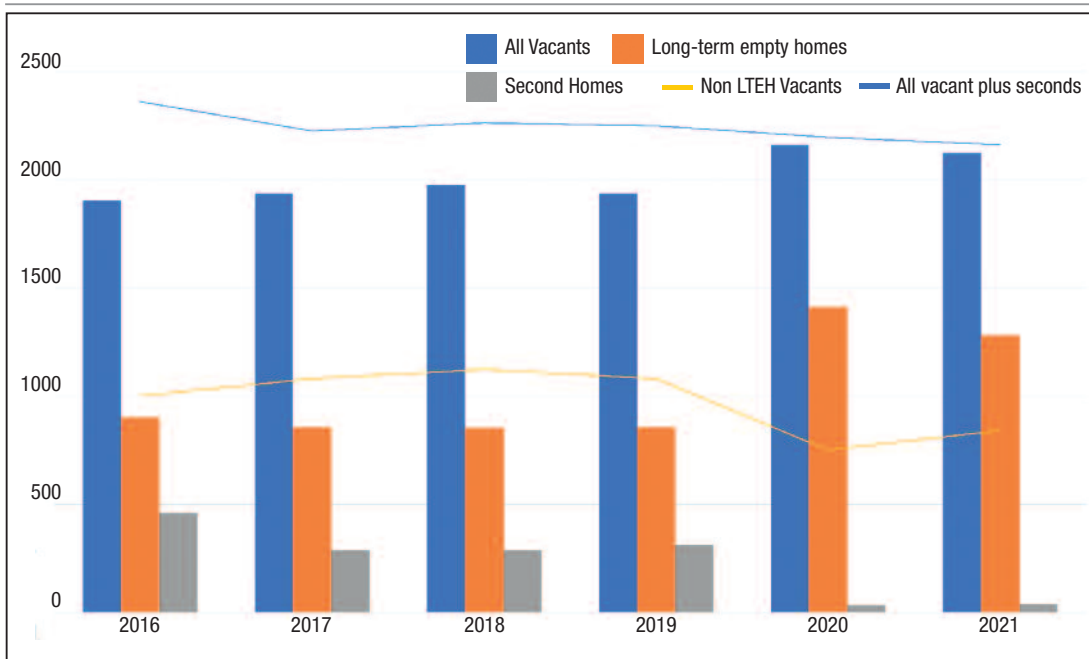
More locally Rochdale, a Greater Manchester borough, had significantly reduced the number of second homes reported in the 2021 Council Taxbase submission – these dropped from over 450 in 2016 (458) to just 35 by 2020 and sit at 39 in 2021. This comes after a period of several years during which the number had sat around 300 (287 in both 2017 and 2018 and 311 in 2019).

This significant drop merits further examination, since it either indicates homes returning to primary residential use at some scale or potentially moving onto the pathway to increased council tax charging via the Empty Homes Premium (or a combination of the two).

Table 4a: Rochdale

	2016	2017	2018	2019	2020	2021
All Vacants	1901	1937	1974	1937	2159	2120
Long-term Empty Homes	901	858	852	858	1409	1280
Second Homes	458	287	287	311	35	39
Non LTEH Vacants	1000	1079	1122	1079	750	840
All vacant plus seconds	2359	2224	2261	2248	2194	2159

Table 4b: Where did Rochdale's second homes go?



Discussing the City's development model with councillors



When quizzed on the type of development recently planned and permissioned in central areas of Manchester, Councillor Gavin White, who holds the Cabinet Housing and Employment portfolio, noted that in a city with 90,000 students, the provision of dedicated student housing could be an important part of freeing up other housing types. He argued that provision of purpose-built student accommodation could not only improve consistency of quality in provision, but also free up more traditional housing units to be returned to residential markets – including as Private Rented Sector stock.

He also noted that costs of housing in Manchester's central areas meant that first-time buyers were essentially pushed into options such as 'shared ownership' by lack of affordability, although Northern and Eastern areas of the city still demonstrated some areas with greater affordability.

Shared ownership – affordable for whom?

Critics of Homes England's recent focus of Government subsidy on shared ownership products have long argued that these are not in any real sense 'genuinely affordable' housing, since the overall costs of participating in such schemes (which include rental and mortgage elements in addition to full recovery of service charge costs) push them beyond the means of many (or all) on average incomes. Further, requirements related to qualification for the mortgage elements of the schemes demand not only significant deposits but also exclude many of those on non-salaried incomes.

Is 20% affordable – 80% unaffordable, good enough?

Overall Councillor White argued that the city was still aiming for at least 20% of the 35,000 new homes currently planned over the next five years to be affordable. Around 7,500 are hoped to meet this criteria, with a third of these (or 2,500) being for social rent – which, while still far less than 10% of the total, is nonetheless a marked improvement on social housebuilding in the city in recent years.

Only around 500 social homes were built in the five years to 2016, while on-site social housing provision in recent city centre schemes is reported by Goulding and Silver as being as low as 0.7% in their 2019 paper 'From Homes to Assets Housing Financialisation in Greater Manchester (2018/19 update)'.⁹

Recent City of Manchester figures state that, of 4,000 affordable homes completed or under construction in the City since 2016, 1,081 have been for social rent (this includes schemes dedicated as provision for the elderly).¹⁰

Improving communication of what it is trying to achieve?

Councillor White suggested that the City of Manchester administration needed to improve its communication of what it was what trying to achieve in growth areas such as the city centre and 'Eastern Gateway'. In response to reported criticism of what the City administration under Richard Lees had achieved in relation to land deals with investors, including Middle East consortia, the Councillor noted that while the city can't be seen to be giving land away as some critics alleged, that there might be wider strategic objectives at stake in relation to both transport and housing.



Local campaigners have already detailed this controversy in highlighting the sales of public land to large-scale (often overseas) developers, including Middle Eastern interests linked to Manchester City football club – see GM Housing Action: Who Owns the City? The Privatisation of Public Land in Manchester (2021) by Dr Tom Gillespie and Dr Jonathan Silver.¹¹ The national press have also explored this - for example in The Times, ‘The City that sold out to Abu Dhabi’.¹²

What is the overall picture telling us?

Stepping back, we can see a wider pattern that is less open to debate than the details of such property deals, sweetheart or otherwise. This is about the overall purpose and direction of development in Manchester.

What is inarguable is that during a period in which national Government has taken a relatively laissez-faire attitude, both to international investment and to city planning, Manchester has essentially ‘followed the money’.

In other words, the City of Manchester has collaborated with developers on their terms in the wider context of a national planning environment which has seen developers offered a relatively open door to build what they want via the ‘get-out’ clause of viability assessments and the National Planning Policy Framework’s backstop of an ‘Assumption in Favour of [economically] Sustainable Development’.

Despite all this, in isolated but important cases, some councils have successfully challenged such assessments when these have come up against their local criteria for minimum contributions of social housing – for example in Islington, see *Islington Gazette* (April 30, 2018).¹³

As Gillespie and Silver state in ‘Who Owns The City?’, ‘Manchester is currently experiencing a housing crisis characterised by a shortage of affordable and social housing; there were 98,898 Greater Manchester households on the housing waiting list in 2019 (an increase of 98% since 1997). In this context, there are growing concerns amongst researchers, journalists and civil society groups that public land has been allocated to private developers to build unaffordable apartments’.

Conclusions and recommendations

In Greater Manchester a public meeting will be held to discuss our findings after publication of this report.

General conclusions and action against future vacancy

Councils need to adopt more robust strategies to challenge all types of emptiness

In central Manchester at least this seems to raise important questions about the nature of the development city planners and users want and are promoting currently.

There are also strong arguments against a city centre that runs only on a vision of leisure and entertainment use. The pandemic taught us that diverse 15-minute neighbourhoods may be more useful and sustainable than a proliferation of leisure activities built around a visitor and student economy.

We have seen some positive steps with the City of Manchester and other boroughs across the City region reviewing housing and planning policies post-pandemic.

In looking forward to likely Government proposals for **Planning Reform** after the May 2022 elections around the country, it is time local communities were given the power to prioritise the use of wasted empty homes for those in housing need and to stop the development of empty, underused and unaffordable housing, while acute local housing needs go unmet.

Local Planning must be meaningful, informed and not undermined by national planning policy

Local efforts to determine social housing contributions and to regulate rental markets should be supported, not undermined, by the National Planning Policy Framework; moves to further centralise and de-regulate planning threaten the limited powers now available to local communities and their political representatives.

Since 2012 national planning guidance has been seen to generally undermine local communities' attempts to develop neighbourhoods in line with local priorities.

In particular, the 'presumption in favour of sustainable development' and the Government's building-in of a 20% minimum net margin for developers have both helped developers challenge local communities' efforts to oppose or amend proposals. Both have also been used to drive down contributions to social housing to meet local needs.

Action against current vacancy

Legislation and new powers could help

It is undoubtedly true that central Government could better support and resource this through legislative changes offering councils better, easier and quicker powers – such as the reformed Empty Dwelling Management Orders suggested by several boroughs.

Meanwhile, many boroughs have backed the Local Government Association's call for a streamlining of compulsory purchase powers as an ultimate sanction against the most recalcitrant owners, who seem happy to let property fall apart.

Boroughs have also called for new powers to regulate, license and control Airbnbs and short lets.

The Campaign Against Empty Homes

Action on Empty Homes will continue to campaign to raise the wider issue of under-use and hidden vacancy across all housing stock, including within the second homes category.

As part of this work, we are collaborating with other organisations to build a broad coalition of organisations campaigning for change, the Campaign Against Empty Homes.

This campaign already involves members of many political parties and the following organisations:

■ Action on Empty Homes ■ The Big Issue
■ Defend Council Housing ■ Disabled People Against Cuts ■ Fuel Poverty Action ■ Greater Manchester Housing Action ■ Homes for All
■ Labour Homelessness Campaign ■ People Before Profit ■ Radical Housing Network
■ Renters' Rights ■ Social Housing Action Campaign ■ Streets Kitchen ■ Street Storage
■ Unite the Union ■ Unite Community ■ Yes to Fair Redevelopment.

Action being called for by the Campaign includes

Licensing of short lets with the option to restrict license numbers as introduced in Barcelona

With Airbnb now sharing host lettings data with the Inland Revenue, the argument against it sharing this with council enforcement teams appears ever more spurious.

A Vacancy tax on the Vancouver model with proceeds ringfenced to support action to alleviate housing need

Vacancy taxes on the Vancouver model penalise owners of *any home not actually lived in as a primary residence*. However, in a city like Manchester, with a fast-growing and lucrative short-let market, this is not the only measure required. Planning controls and locally determined licensing of Airbnbs at borough

level are also needed to ensure the balance is shifted towards primary residential use for many of the so-called homes currently only available as short lets for leisure and tourist use.

The second homes category must be reformed or abolished

While some categories of empty evade Council Tax premiums and others dodge enforcement through sheltering under the guise of second homes, this status can apparently be challenged. However this requires closer inter-departmental working.

A transparent national register of residential property ownership and usage is required

Local communities need to be able to distinguish in planning terms the usage of homes and where it may be relevant to control the impact of non-residential usage, such as holiday homes and short lets. Such uses must not be allowed to drive local people into poverty or homelessness.

For housing targets to be meaningful, local policymakers require accurate assessments of housing usage and ownership and this can only be delivered by transparency around the beneficial ownership and usage of residential property. This is why a transparent national register of residential property ownership and usage is required alongside a national landlord register and effective, locally determined licensing of the leisure rental and short-let markets.

Bringing wasted empty homes into use is critical for sustainability and a RetroFirst¹⁴ approach is crucial in addressing our climate emergency

The UK has Europe's oldest and worst insulated housing, but increasingly is also being challenged by the need to cool some homes in summer as average temperatures rise.

■ Addressing our climate emergency is intricately linked to modernising and retrofitting our housing stock and improving housing standards for those on lower incomes. Arguments around the redevelopment of council estates are often linked to improving

insulation and modernising services such as heating or cooling.

- However, the latest work on measuring the carbon footprint of development has led a wide coalition of organisations to argue for a RetroFirst¹⁵ approach. In this context, empty homes and council estates in need of refurbishment can help lead the retrofit revolution needed to respond to the climate emergency; as Architects Journal have said as part of their RetroFirst campaign, 'the most sustainable home is always the one that is already built'.
- This argument also has a more fundamental resonance for campaigns to bring empty and under-used homes into residential use, because if the most sustainable home is the

one already built, then the least sustainable home is the one built with a huge carbon footprint in a modern hi-rise tower and never lived in by anyone at all.

A new Government-funded programme of support for enforcement, incentives and investment at local level is needed

Many local authorities actively utilise funds available to buy back council homes sold through right to buy. Action on Empty Homes agrees with the Affordable Housing Commission suggestion that a similar approach should be taken to buy empty homes and private rented sector empties for renovation and refurbishment as council or social housing.



References

- 1 Government Council Taxbase Statistics Collection: <https://www.gov.uk/government/collections/council-taxbase-statistics>
- 2 Nationally 110,654 homes are classified as in Exemption Class F 'Dwellings left empty by deceased persons' – Data source: Council Taxbase 2021
- 3 In the most recent published Dwelling Stock Estimates, at time of writing, total vacancy is given as 665,000 – a figure based on the 2020 Dwelling Stock Estimates and 2020 Council Taxbase (which includes a figure of 263,000 for second homes).
The apparent drop of 10,000 in second homes is in fact misleading as separate data reveals that during this year 11,476 second homes were flipped from council tax to paying business rates as holiday lets, a number accelerated by the availability of Covid Business Support grants to holiday let owners. Dwelling Stock Estimates based on the 2021 Council Taxbase will be published in late May 2022: <https://www.gov.uk/government/statistics/dwelling-stock-estimates-in-england-2020>
- 4 <https://events.manchester.ac.uk/event/event:qmx-kuoab7qd-i0xs7d/vacancy-and-underutilisation-of-housing-in-greater-manchester>
- 5 <https://metro.co.uk/2020/12/30/500000-homes-sitting-empty-in-uk-while-100000-families-are-homeless-13812966/>
- 6 See <http://www.gmhousingaction.com/publications/>
- 7 <https://themetor.org/2019/07/11/from-homes-to-assets-update-on-housing-financialisation-in-manchester/>
- 8 <https://www.manchestereveningnews.co.uk/news/greater-manchester-news/shared-co-living-flats-small-17430346>
- 9 https://www.academia.edu/39867257/Report_From_Homes_to_Assets_Housing_Financialisation_in_Greater_Manchester_2018_19_update_?pop_sutd=false
- 10 https://www.manchester.gov.uk/news/article/8794/thousands_of_affordable_homes_in_pipeline_as_north_and_east_manchester_becomes_focus_for_housing_development
- 11 <http://www.gmhousingaction.com/wp-content/uploads/2021/05/Who-Owns-The-City-v1.9.pdf>
- 12 <https://www.the-times.co.uk/article/manchester-the-city-that-sold-out-to-abu-dhabi-9mwx7nfck>
- 13 <https://www.islingtongazette.co.uk/news/local-council/landmark-affordable-housing-win-for-islington-council-over-territorial-army-3794430>
- 14 Architects Journal coordinate the RetroFirst campaign involving over 200 architecture practices and other organisations committed to prioritising retrofit over demolition and rebuild because 'the greenest building is the one that already exists': <https://www.architectsjournal.co.uk/news/retrofirst>
- 15 RetroFirst campaign: <https://www.architectsjournal.co.uk/news/retrofirst>



This project is supported by
The Evan Cornish Foundation



For further information contact
info@emptyhomes.com
www.actiononemptyhomes.org