



**NOT FOR BROADCAST OR PUBLICATION BEFORE 00.01 HRS MONDAY 20 DECEMBER 2010**

This is the latest annual Halifax Empty Homes in England survey. The research in this report is based on data from the Communities & Local Government department (CLG), Office for National Statistics (ONS) and Halifax's own extensive housing statistics database.

## Long-term empty homes down 6% over the past year

**The number of long-term empty private homes in England has fallen for the first time in three years, according to the latest annual Halifax Empty Homes survey.** There were 295,519 long-term empty private homes (homes that have been vacant for more than six months) in England in April 2010. This is a decline of 6%, or 20,537 homes, from 316,056 in April 2009.

The number of long-term empty private homes in England is the lowest since 2007. Empty homes now account for 1.6% of all private homes.

### Significant north/south empty homes divide

Almost two-thirds (61%) of all long-term empty private homes are in the north. The North West has the highest number (64,596), accounting for 22% of the total across England. The North West also has the highest number of long-term empty homes as a proportion of all privately owned properties (2.6%). In contrast, all southern regions have a proportion of long-term empty private homes that is below the national average (1.6%).

### High number of empty homes link to local economic environment

In the 16 areas where the proportion of long-term empty private homes are at least double the national average:

- **House prices are lower.** The average house price is 29% lower than the national average.
- **Earnings are lower.** Earnings, on average, are 14% below the national average wage.
- **Unemployment is higher.** The average claimant count unemployment rate is higher than the national average (4.2% against 3.5%).
- **High empty homes areas are in deprived locations.** The majority - 11 of the 16 areas - are among the 20% of areas with the highest levels of deprivation in England<sup>1</sup>.

### Suren Thiru, Halifax housing economist, commented:

*"It is encouraging that the number of long-term empty private homes has fallen, reversing the increases recorded over the preceding two years. Nonetheless, it is concerning that the problem of empty homes remains substantial in a number of areas. Areas with high levels of long-term empty homes are typically locations with high levels of unemployment, as well as lower than average earnings and property values."*

## Additional key findings

- The **total number of empty homes** in England (i.e. all public and private homes that are vacant including those for less than six months) stood at 650,127 in April 2010, accounting for 3.5% of the housing stock, according to CLG figures.
- **Yorkshire and the Humber saw the largest fall in long-term empty private homes over the past year.** The number of long-term empty private homes in the region declined by 22% over the twelve months to April 2010 from 42,780 to 33,423. The West Midlands (-11%) recorded the second biggest fall, followed by the South East (-9%).
- **The South West experienced the largest rise in long-term empty private homes.** The number of long-term empty private homes rose in three of the nine English regions. The largest increase was in the South West (10%).
- **Tower Hamlets has the highest proportion of long-term empty private homes in England.** Tower Hamlets in the capital has the largest proportion of long-term empty private homes in England (6.5%), followed by Pendle and Liverpool in the North West (both 5.2%) and Kingston upon Hull (4.7%).

**Table 1: Long-term empty private homes by region, April 2010**

Region	Number	As a % of Total Private Homes	As a % of total Long-Term Private Empty Homes in England
North West	64,596	2.6%	22%
North East	20,624	2.3%	7%
East Midlands	30,176	1.8%	10%
Yorkshire & the Humber	33,423	1.8%	11%
West Midlands	31,477	1.7%	11%
East of England	28,609	1.4%	10%
London	29,641	1.2%	10%
South West	23,450	1.1%	8%
South East	33,523	1.1%	11%
<b>England</b>	<b>295,519</b>	<b>1.6%</b>	<b>100%</b>

Source: Communities and Local Government

**Table 2: Long-term empty private homes, % change (2009-10)**

Region	Number (April 09)	Number (April 10)	% change
Yorkshire & the Humber	42,780	33,423	-22%
West Midlands	35,367	31,477	-11%
South East	36,775	33,523	-9%
North East	22,476	20,624	-8%
North West	69,053	64,596	-6%
East of England	29,344	28,609	-3%
East Midlands	29,879	30,176	1%
London	28,987	29,641	2%
South West	21,395	23,450	10%
<b>England</b>	<b>316,056</b>	<b>295,519</b>	<b>-6%</b>

Source: Communities and Local Government

**Table 3: Local areas in England with the largest % of long-term empty private homes, April 2010**

Local Authority	Region	Number of Empty Homes	Long-term empty homes as a % of Total Private Homes
Tower Hamlets	London	3,700	6.5%
Pendle	North West	1,847	5.2%
Liverpool	North West	7,780	5.2%
Kingston upon Hull, City of	Yorkshire & the Humber	3,726	4.7%
Burnley	North West	1,622	4.7%
Thanet	South East	2,404	4.4%
Hyndburn	North West	1,284	4.1%
Manchester	North West	5,678	4.1%
Cotswold	South West	1,364	4.0%
Gateshead	North East	2,589	4.0%
Allerdale	North West	1,370	3.8%
Dover	South East	1,500	3.6%
Rossendale	North West	844	3.3%
Oldham	North West	2,338	3.2%
Leicester	East Midlands	2,878	3.2%
Stafford	West Midlands	1,500	3.2%
<b>England</b>		<b>295,519</b>	<b>1.6%</b>

Source: Communities and Local Government.

## EDITORS' NOTES

<sup>1</sup>The Indices of Deprivation are produced by the Communities and Local Government department and rank Local Authority Districts in England by a range of factors including income, education, health and living conditions. The latest rankings refer to 2007.

Data on empty homes in England has been sourced from the "Housing and Investment Programme: Housing Strategy Statistical Appendix 2010" by the Communities and Local Government department. The number of empty homes is measured as at April 1<sup>st</sup> 2010 and is the sum of private sector dwellings vacant for more than 6 months for regeneration or housing schemes (hsa3a1e) and all other dwellings vacant for more than 6 months (hsa3a2e).

326 localities in England have been surveyed in this report.

### Definition of an empty home

An empty home is classified as a dwelling which is vacant because it is either between occupants, undergoing modernisation, in disrepair or awaiting demolition.

The total number of vacant dwellings (public and private, including those empty for less than six months) on April 1st 2010 was 650,127 a fall of 0.3% from 651,993 in April 2009.

House price data is from Halifax's own extensive housing database and based on the rolling 12 months to November 2010. The prices used are simple arithmetic ('crude') averages. These prices are not standardised and therefore can be affected by changes in the sample from period to period. Annual house price percentage changes refer to the 12 months to November 2010 compared with the 12 months to November 2009.

### VAT on Empty Homes

- 17.5% VAT is payable for renovating an empty home vacant for less than 2 years.
- 5% VAT is payable for renovating an empty home vacant for more than 2 years.
- No VAT is payable on renovation of a property vacant more than 10 years, which is renovated and then sold.
- 5% VAT is payable for restoring and subdividing an empty home vacant for less than 10 years.

### Empty Homes Grants

Some local authorities give grants for restoring empty homes. However, these vary by area and usually require the owner to then let the dwelling as social housing afterwards.

### Council tax discount for empty homes is discretionary

Legislative changes in 2003 gave Local Authorities the power to abolish the council tax discount for empty homes. However, some local authorities still retain this discount, up to 50% of the annual council tax charge.

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