

Press Release

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This is the sixth annual Halifax Empty Homes in England survey. The National Week of Action on Empty Homes runs from November 23rd to 27th 2009. The research in this report is based on data from the Communities & Local Government department (CLG) and ONS.

Number of private homes in England that have been empty long-term rises above 300,000

The latest annual Halifax Empty Homes survey shows that the number of long-term empty private homes (i.e. homes that have been vacant for more than six months) exceeded 300,000 in 2008 for the first time in five years. There were 303,285 long-term empty private homes in England in April 2008, a rise of 9% from 279,281 in April 2007. The number of long-term empty private homes is at its highest since April 2003 (308,438), accounting for 1.6% of all privately owned properties. The total number of empty private homes in England (i.e. including homes that have been vacant for less than six months) stood at 613,270 in April 2008, according to CLG figures¹.

There is a clear north/south divide. The North West has the highest number of long-term empty private homes (66,691), 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 private homes (2.6%) followed by Yorkshire and the Humber (2.2%) and the North East (2.1%). London, the South East and the South West have the lowest proportions of long-term empty private homes (all 1.1%). **(Table 1)**

Levels of deprivation are typically higher in areas with a large proportion of empty private homes. Fifteen of the 20 local authorities with the highest proportions of long-term empty private homes are among the 25% in England with the highest levels of deprivation².

Areas with relatively high levels of long-term empty private homes have lower than average earnings. Eighteen of the 20 local authorities where 3% or more of all private homes have been empty for at least six months have levels of average earnings that are below the national average. The levels of earnings in these locations are, on average, 24% below the national average. Additionally, six of the 10 local authorities with the highest proportion of long-term empty private homes have an unemployment rate that is above the national average.

Suren Thiru, economist at Halifax, commented:

"It is concerning that there are over 300,000 private homes in England that have been empty for more than six months and that the number has increased recently following several years of decline. In many cases, high levels of long-term empty homes reflect relatively high levels of deprivation, low average earnings and high unemployment."

¹ Based on the Local authority: Housing Strategy Statistical Appendix (HSSA) submitted to CLG.

² The Indices of Deprivation are produced by the Communities and Local Government department and rank LAs in England by a range of factors including income, education, health and living conditions. The latest rankings refer to 2007.

Additional key findings

2003-2008

There was a 1.7% (5,153) fall in the number of long-term empty private homes over the five years between April 2003 and April 2008.

By region

Yorkshire and the Humber recorded the largest rise in long-term empty private homes over the past year

The number of long-term empty private homes in Yorkshire and the Humber rose by 13.5% over the twelve months to April 2008 (from 36,401 to 41,299); more than in any other region. All regions saw a rise during the period with the North East (2.3%) recording the smallest rise. **(Table 2)**

London experienced the largest fall in long-term empty private homes between 2003 and 2008

Between 2003 and 2008, the number of long-term empty private homes fell in three of the nine English regions. The largest fall was in London where the number fell by 34.7%. There were also falls in the South West (-18.2%) and the East of England (-4.4%). Yorkshire and the Humber saw the biggest rise (19.6%) over the period. **(Table 3)**

By local authority

Pendle has the highest proportion of long-term empty private homes in England

Pendle in Lancashire has the largest proportion of long-term empty private homes in England (5.9%). This is more than three and a half times the average for England (1.6%). Nine of the 20 areas with the highest proportion of long-term empty private homes are in the North West. **(Table 4)**

Table 1: Long-term empty¹ private homes by region, April 2008

Region	Number	As a % of Total Private Homes	As a % of total Long-Term Private Empty Homes in England
North West	66,691	2.6%	22%
Yorkshire & the Humber	41,299	2.2%	14%
South East	34,663	1.1%	11%
West Midlands	34,511	1.8%	11%
East Midlands	29,095	1.8%	10%
London	28,377	1.1%	9%
East of England	27,976	1.4%	9%
South West	22,294	1.1%	7%
North East	18,379	2.1%	6%
England	303,285	1.6%	100%

Source: Communities and Local Government

¹ Defined as a property that has been vacant for more than six months.

Table 2: Long-term empty¹ private homes 2007-08, % change

Region	Number (April 07)	Number (April 08)	2007-2008 % change
Yorkshire & the Humber	36,401	41,299	13.5%
West Midlands	31,071	34,511	11.1%
East Midlands	26,498	29,095	9.8%
South West	20,365	22,294	9.5%
South East	31,855	34,663	8.8%
North West	61,450	66,691	8.5%
East of England	26,244	27,976	6.6%
London	27,437	28,377	3.4%
North East	17,960	18,379	2.3%
England	279,281	303,285	8.6%

Source: Communities and Local Government

¹ Defined as a property that has been vacant for more than six months.

Table 3: Long-term empty¹ private homes 2003-2008, % change

Region	Number (April 03)	Number (April 08)	2003-2008 % change
Yorkshire & the Humber	34,526	41,299	19.6%
South East	31,795	34,663	9.0%
East Midlands	26,842	29,095	8.4%
West Midlands	32,916	34,511	4.8%
North West	64,352	66,691	3.6%
North East	18,020	18,379	2.0%
East of England	29,274	27,976	-4.4%
South West	27,267	22,294	-18.2%
London	43,446	28,377	-34.7%
England	308,438	303,285	-1.7%

Source: Communities and Local Government. ¹ Defined as a property that has been vacant for more than six months.

Table 4: Areas where long-term empty¹ homes account for 3%+ of private homes, April 2008

Local Authority	Region	Number	Total Number of Private Homes	Long-term empty homes as a % of Total Private Homes
Pendle	North West	2,085	35,194	5.9%
Liverpool	North West	8,358	151,149	5.5%
Manchester	North West	7,179	141,456	5.1%
Berwick-upon-Tweed	North East	585	11,923	4.9%
Stoke-on-Trent UA	West Midlands	3,941	86,932	4.5%
Oldham	North West	3,273	72,603	4.5%
Hyndburn	North West	1,299	31,522	4.1%
Easington	North East	1,265	32,535	3.9%
Salford	North West	2,664	73,218	3.6%
Stafford	West Midlands	1,667	46,849	3.6%
Kingston upon Hull, City of UA	Yorkshire & the Humber	2,795	81,538	3.4%
Leicester UA	East Midlands	3,091	90,474	3.4%
South Shropshire	West Midlands	605	17,852	3.4%
Kirklees	Yorkshire & the Humber	4,937	147,471	3.3%
Nottingham UA	East Midlands	2,953	88,808	3.3%
East Northamptonshire	East Midlands	1,042	31,476	3.3%
Blackburn with Darwen UA	North West	1,547	47,819	3.2%
Boston	East Midlands	710	22,149	3.2%
Preston	North West	1,507	48,113	3.1%
Copeland	North West	783	26,120	3.0%
England		303,285	18,407,061	1.6%

Source: Communities and Local Government. ¹ Defined as a property that has been vacant for more than six months.

EDITORS' NOTES

354 local authorities 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 private vacant dwellings on April 1st 2008 was 613,270, a rise of 4% from 587,229 in April 2007. There were 697,055 vacant homes, on this basis, if public dwellings are also included (672,924 in 2007).

Data on empty homes in England has been sourced from the "Housing and Investment Programme: Housing Strategy Statistical Appendix 2008" by the Communities and Local Government department. The number of empty homes is measured as at April 1st 2008.

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.

An extension of the VAT discount for renovating empty homes vacant for more than 2 years from more than 3 years was announced in the 2007 Pre-Budget Report.

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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