Long term empty homes

– Dundee City Council

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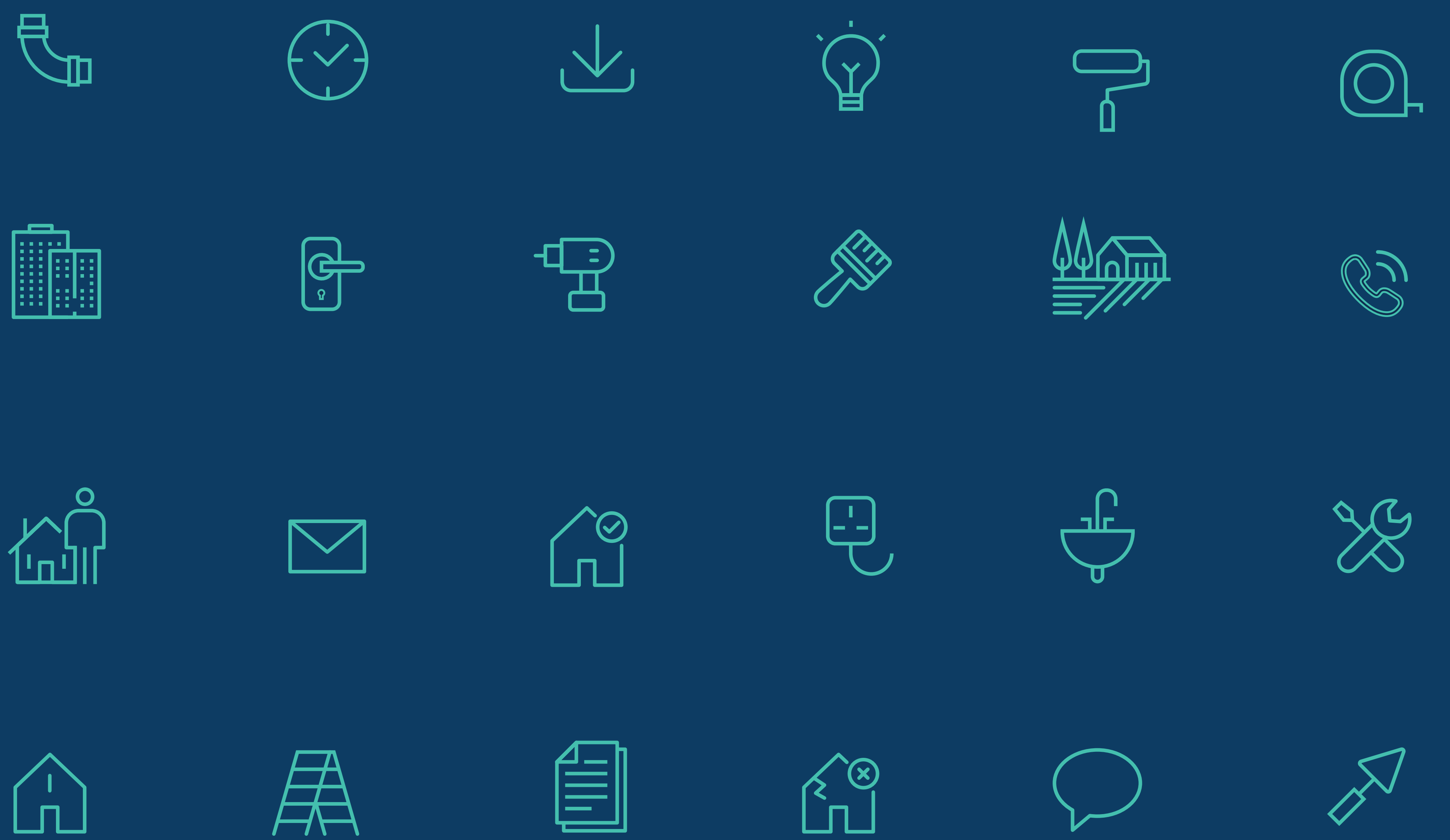

Introduction

This report draws on data available on empty homes on the Scottish Government and National Records of Scotland websites alongside data on population and dwellings on the two sites in relation to Dundee City Council.

It is part of the work the partnership is taking forward to develop a more detailed understanding of what is driving the net increase in numbers of long term empty homes across Scotland, going beyond the official definition of long term empty (a dwelling empty for six months or more that is liable for council tax) to build a fuller, more detailed picture of the trends across all vacant properties and second homes.

The report is intended to inform development of empty homes work by noting trends and identifying areas that may be suitable for a focus on bringing empty homes back to use as social housing possibly through buyback schemes. Throughout the report any references to increases or decreases should be read as net totals unless stated otherwise.

The report begins with an analysis of the overall long-term empty figures for Dundee City Council between 2016 and 2019. This period has been used as the impact of the reclassification of property on empty homes and second homes totals following the 2013 council tax legislation is likely to have largely worked through the system by the start of this time frame, allowing for more reliable comparison of yearly data than would have been possible using an earlier start date.

The report then compares empty homes statistics for Dundee City with national statistics and statistics for three other cities in Scotland to put the Dundee City's figures into a wider context.

The next section of the report looks at the variations in levels of empty homes and unoccupied exemptions across the 188 data zones that Dundee City Council comprises. By focusing on individual data zones within wards, and groupings of data zones, it is possible to establish where there may be more empty homes, how this may affect people's ability to bring these back to use without any support, and hence where an EHO may have greatest impact in helping to return properties back to use and also where buy back schemes could be targeted.

The headline figure and what sits underneath it.

Between 2016 and 2019, Dundee City Council has seen its number of long-term empty properties fall by just under 20% from 1,503 to 1,209. The fall has been consistent across the three year period.

Year	Number of long term empty properties	Increase/decrease by volume	Increase/decrease by %
2016	1,503	n/a	n/a
2017	1,389	-114	-7.58
2018	1,305	-84	-6.05
2019	1,209	-96	-7.94
2016-19	n/a	-294	-19.56

Breaking the figures down to show the volumes and trends in properties becoming empty for 6 to 12 months or remaining empty for longer than 12 months, as well as the percentages of empty properties falling into each category, can provide an insight into the flows into and out of long term empties, which can provide further insight into the local market.

In Dundee City the breakdown is as follows;

Year	Number of properties empty for between 6 and 12 months	Increase/decrease by volume	Increase/decresase by %
2016	955	n/a	n/a
2017	807	-148	-15.50
2018	833	26	3.12
2019	658	-175	-21.01
2016-19	n/a	297	-31.10

Year	Number of properties empty for longer than 12 months	Increase/decrease by volume	Increase/decresase by %
2016	548	n/a	n/a
2017	582	34	6.20
2018	472	-110	-18.90
2019	551	79	16.74
2016-19	n/a	3	0.50

Year	Total number of long term empty properties	% empty for 6 to 12 months	% empty for more than 12 months
2016	1,503	63.54	36.46
2017	1,389	58.10	41.90
2018	1,305	63.83	36.17
2019	1,209	54.43	45.57

Observations:

The consistent fall in the number of properties empty for between 6 to 12 months, suggests **a generally healthy housing market with fewer properties becoming long term empty** (i.e it is assumed that properties that may have previously taken between 6 to 12 months to be returned to use are now being returned to use within 0 to 6 months). However, the 2019 rise in properties empty for more than 12 months is a cause for concern as it suggests that where properties do reach the 6 month long term empty milestone it may be becoming harder to bring them back into use.

This did not appear to be the case in 2018 where a lot of properties that had been empty for more than a year were brought back into use, suggesting that **there is a potential market for bringing longer term empty properties back to use.**

Of the properties empty for longer than a year, we would estimate that significant numbers have been empty for two or more years based on figures that show almost 68% of properties in this category are being charged council tax levy. Properties empty for less than two years will not be liable for the levy where they are being actively marketed for sale or rent.

It should also be noted that Dundee City has seen housing supply increase year on year from 2016. The table below compares the total housing supply with occupancy rates (property that is not LTE, unoccupied exemption or second home).

Year	Number of properties	% increase in number of properties	% empty for more than 12 months	% increase in number of occupied properties	% of occupied properties
2016	74,025	n/a	70,390	n/a	95.09
2017	74,357	0.45	70,876	0.69	95.32
2018	74,533	0.24	71,118	0.34	95.42
2019	74,890	0.48	71,503	0.54	95.48

Observations:

2018 (the year when levels of property empty for more than twelve months fell) is noticeable as the year when there was the smallest increase in number of properties. It could be assumed that with a more limited choice of new properties for people buying or renting homes, there may have been an increased interest in older properties in that year. However, 2018 is also the year that saw the smallest increase in the number of occupied properties. This may suggest a more complex relationship between levels of new property and sales of older property, where it is not an either/or decision for people deciding to move, and an increase in new homes stimulates interest in older properties.

When looking at changes in levels of empty homes it is important to also look at levels of unoccupied exemptions and second homes. If these have risen, while long term empty homes have fallen, it may be the case that properties are not being brought back into full time residential use, but are simply moving to another category of vacant property.

The table below looks at unoccupied exemptions and second homes in Dundee City from 2016 to 2019.

Year	Number of unoccupied exemptions	Increase/ decrease by volume	Number of second homes	Increase/ decrease by volume
2016	1,813	n/a	338	n/a
2017	1,750	-63	358	20
2018	1,764	14	365	7
2019	1,822	58	339	-26
2016-19	n/a	9	n/a	1

The figures in the table show mirror opposites in trends for unoccupied exemptions and second homes. While both see similar totals in 2019 compared to 2016, this is as a result if a reversal of previous falls in unoccupied exemptions and a reversal of previous rises in second homes. While the net increase of 32 in the two categories in 2019 suggests that not all of the properties ceasing to be long term empty are being returned to use, the increase is only a third of the size of the total fall in long term empties, and so does not detract from the positive news of falling levels of long term empty properties in Dundee City.

National comparisons

The tables below show how Dundee City is performing against the national averages for LTE, unoccupied exemptions and second homes.

Dundee City Council	% of stock LTE	% of stock unoccupied exempt	% of stock second homes
2016	2.10	2.45	0.46
2017	1.85	2.35	0.48
2018	1.73	2.37	0.49
2019	1.59	2.43	0.45

Scotland	% of stock LTE	% of stock unoccupied exempt	% of stock second homes
2016	1.40	1.64	1.01
2017	1.44	1.61	0.99
2018	1.50	1.70	0.95
2019	1.56	1.65	0.92

Over the past four years, Dundee has largely mirrored Scotland as a whole in changes in levels of unoccupied exemptions and second homes (although it starts from a base of unoccupied exemptions being roughly one a half times the national average and second homes being around half the national average). However, while levels of long term empties have been gradually increasing in Scotland, in Dundee City they have fallen. From levels 30% higher than the national average in 2016, it now has almost identical levels.

Looking in more detail at the distribution of empty homes between empty for 6 to 12 months or longer, the picture becomes increasingly positive as Dundee has a smaller proportion of homes empty for more than 12 months than most major cities and the country as a whole, although the gap has narrowed following an increase in home empty for more than 12 months and a fall in homes empty for between 6 and 12 months in 2019.

	% of stock empty for more than 12 months	12 months+ empty as % of total LTE stock	% of properties empty 12 months+ charged CT levy
Scotland*	0.93	62.57	67.37***
Dundee	0.73	45.57	68.24
Glasgow**	0.87	99.27	46.25
Edinburgh*	0.60	27.50	89.26
Aberdeen	1.60	50.63	61.54

*2018 figures have been used as 2019 figures may be affected by inclusion of second homes in figures for Edinburgh properties empty for over twelve months. Using 2019 figures would give the following: Nationally 1.03% of properties have been empty for more than 12 months. This is 66% of all long term empty properties, of which 65.87% are charged the levy. In Edinburgh, 1.17% of properties have been empty for more than 12 months. This is 53% of all long term empty properties, of which 46.25% are charged the levy .

**Glasgow figures record almost all LTE properties as empty for more than 12 months. We are unsure why there is an apparent absence of properties empty for between 6 and 12 months.

***excluding councils that gave zero returns and/or do not apply the levy.

In 2019 almost 68% of homes empty for more than twelve months in Dundee City were being charged the council tax levy. This was down by 7% from 2018. The fall is likely to be a reflection of the increase in properties becoming empty for more than 12 months. A higher percentage of these will have been empty for between 12 months and 2 years, compared to 2018, and as such will be exempt from the levy where they are being actively marketed for sale or rent.

As the figure is marginally higher than the national average, it seems unlikely that discretion is being used and the levy is not being applied where homes have been empty beyond two years. As such, it can be assumed that most of the 376 properties that were charged the levy in 2019 had been empty for two years or longer. This represents 31.1% of all long term empties in the city.

The next section of the report looks at the distribution of empty homes across the local authority.

Distribution of empty homes across Dundee City Council data zones

The following table looks at how the distribution of empty homes has altered over the past four years.

Number of datazones in Dundee City with;	2016	2017	2018	2019
More than 10% of properties LTE	0	1	0	2
Between 7.5% and 10% of properties LTE	1	1	2	1
Between 5% and 7.5% of properties LTE	16	12	4	2
Between 3.5% and 5% of properties LTE	17	15	15	15
Between 2% and 3.5% of properties LTE	22	24	33	19
Between 1% and 2% of properties LTE	50	40	36	50
Less than 1% of properties LTE	82	95	98	99

In 2019, 28 data zones had no empty homes, up from 16 in 2016. This may suggest that the fall in empty homes has been spreading out from areas which were already below the local average to areas that were above them. It may be a natural ripple effect and the sign of a healthy housing market (possibly mixed in with rising prices making people look further afield for accommodation). However, the healthy picture has some outliers and it is worth looking at these in a little more depth.

Data zones in Dundee City with more than 5% properties empty in any year From 2016 to 2019	2016 %	2017 %	2018 %	2019 %
City Centre - 02	6.11	5.17	4.24	5.31
City Centre - 05	7.54	6.65	7.46	9.32
City Centre - 06	6.29	5.76	5.15	2.53
Docks and Wellgate - 05	5.14	1.89	2.62	2.27
Docks and Wellgate - 06	4.97	5.51	2.64	4.81
Hilltown - 04	5.10	5.68	4.35	2.01
Logie and Blackness - 02	5.85	3.77	2.75	1.77
Logie and Blackness - 04	5.51	5.86	4.29	4.06
Logie and Blackness - 05	5.83	6.44	6.90	4.71
Perth Road - 02	4.81	2.07	3.39	11.78
Perth Road - 04	6.20	6.25	3.02	3.82
Perth Road - 05	5.96	3.87	4.76	4.36
Perth Road - 06	5.05	3.68	2.04	3.74
Stobswell - 04	6.75	8.09	2.95	4.04
Stobswell - 05	7.10	6.52	4.69	4.69
Stobswell - 06	6.46	5.00	2.39	2.63
The Glens - 05	5.88	5.87	8.00	6.59
Westend - 01	3.60	11.27	9.90	10.26
Westend - 02	6.13	4.63	2.16	3.06
Westend - 07	6.62	5.46	5.14	4.21

These data zones fall within 9 of the 30 data zone groupings for Dundee. The 9 groupings also contain all of data zones where more than 4% of properties were LTE in 2019. The table below shows total levels of empty homes within these data zones and their groupings.

Data zones in Dundee City with more than 4% properties emptie in 2019;	Total houses	2019 %
City Centre - 02	358	5.31
CityCentre - 05	483	9.32
City Centres - all 6 datazones	**2257**	**3.99**
Docks and Wellgate - 01	574	4.36
Docks and Wellgate - 06	347	4.81
Docks and Wellgate - all 7 datazones	**2987**	**2.91**
Hilltown - 05	489	4.29
Hilltown - all 6 datazones	**3072**	**2.51**
Logie and Blackness - 04	616	4.06
Logie and Blackness - 04	467	4.71
Logie and Blackness - all 6 datazones	**3270**	**3.06**
Perth Road - 02	450	11.78
Perth Road - 05	528	4.36
Perth Road - all 6 datazones	**3406**	**4.14**
Stobswell - 04	544	4.04
Stobswell - 05	490	4.69
Stobswell - all 7 datazones	**3536**	**3.25**
The Glens - 05	425	6.59
The Glens - all 6 datazones	**3200**	**2.63**
Westend - 06	412	4.61
Westend - 07	570	4.21
Westend - all 7 datazones	**2741**	**2.81**
Whitfield - 01	302	10.26
Whitfield - all 9 datazones	**2751**	**1.49**

The high levels in Whitfield -01 are suspected to be linked to development of that area and properties awaiting demolition. Of the 9 data zone groupings Whitfield is the only one where overall levels of empty homes are below the national average.

The remaining 8 data zone groupings comprise 51 data zones, approximately 27% of the data zones in Dundee City and 33% of its properties. The average level of empty homes is 3.31%. They also account for 65.8% of Dundee's empty properties.

Across the remaining 128 data zones, the average level of empty homes falls to 0.81% and the data zones account for 34.2% of Dundee City's empty properties.

In other words, **just over a quarter of Dundee accounts for just under two thirds of its empty homes.**

The tables below compare these data zones to other Dundee City datazones.

	51 datazones	Other (137) datazones
% of Dundee properties in datazones	33.00%	67.00%
% of Dundee long term empties in datazones	65.80%	34.20%
% of Dundee unoccupied exemptions	44.95%	55.05%
% of properties in datazones LTEs	3.16%	0.77%
% of properties in datazones Unocc Exemptions	3.31%	2.00%
% of properties in datazones occupied and exempt from CT	20.50%	2.96%
% of properties in datazones in receipt of single person discounts	44.25%	42.72%

The higher incidence of properties occupied and exempt from council tax implies that the 51 data zones are likely to be areas with higher concentrations of students. These may in turn incude poorer quality accommodation that has become empty partly because of increased levels of bespoke student accommodation elsewhere.

The tables below look at other features of property distribution in these areas compared to the remaining data zones.

Breakdown of property into council tax bands %	A	B	C	D	E	F	G	H
The 51 datazones (8 groupings)	39.82	27.85	10.64	12.38	5.56	2.42	1.32	0.01
The 137 datazones (22 groupings)	36.72	21.31	13.53	12.11	11.48	3.48	1.49	0.07
Dundee	37.57	22.98	12.74	12.18	9.85	3.18	1.44	0.05

There are no significant variations in property bands between the two groups , although there is a higher prevalence of band A to B properties in the 51 data zones and a higher prevalence of bands E to H in the 137 data zones, all stay close to the Dundee average.

The next tables look at distribution of properties according to property type and number of rooms. The data used here is from 2017, the last year for which small area data is published on this.

Breakdown of property by type(2017) %	Detached	Semi-detached	Terrace	Flat	Unknown
The 51 datazones (8 groupings)	10.70	19.87	16.57	52.28	0.58
The 137 datazones (22 groupings)	11.35	18.34	18.39	49.81	2.11
Dundee	11.17	18.76	17.89	50.49	1.69

Flats make up slightly more than half of all housing in Dundee City. The higher incidence of flats in the 51 data zones may be a reflection of the higher levels of student accommodation in these areas compared to other parts of the city. This increased prevalence will also be a factor in the lower proportions of detached and terraced properties in these data zones. Overall, there is little variation from the national average in any of the property types.

Breakdown of property by number of rooms (2017) %	1	2	3	4	5	6	7+	U/K
The 51 datazones (8 groupings)	1.20	17.97	39.75	21.03	11.12	5.07	3.86	1.20
The 137 datazones (22 groupings)	1.60	17.18	34.76	21.36	12.90	6.73	5.45	0.02
Dundee	1.49	17.40	36.14	21.27	12.41	6.27	5.01	0.01

The 51 data zones have a noticeably higher proportion of three bedroom properties compared to the other data zones. However, it is not known how empty homes are distributed across different sized properties. Nonetheless, with higher levels of long term empty properties overall, these data zones are likely to be areas that may have a supply of empty properties that could provide family homes if brought back into use.

The final section of the report looks at unoccupied exemptions.

Unoccupied exemptions

As noted earlier, Dundee has higher than average levels of unoccupied exemptions and a fall in numbers in 2017 was reversed by an increase in 2019.

In contrast with the way the fall in empty homes seems to be rippling through the city from data zones which already had lower than average levels of empty properties to ones that had above average levels, the rise in unoccupied exemptions seems to have come from data zones that previously had some of the lowest levels.

In 2016, 40 data zones had less than 1% of properties that were unoccupied exemptions. This had fallen by a third to 27 in 2019.

Number of datazones in Dundee City with;	2016	2017	2018	2019
More than 10% of properties UE	2	0	1	1
Between 7.5% and 10% of properties UE	1	1	1	0
Between 5% and 7.5% of properties UE	6	6	2	5
Between 3.5% and 5% of properties UE	22	20	21	20
Between 2% and 3.5% of properties UE	63	66	62	63
Between 1% and 2% of properties UE	54	59	69	72
Less than 1% of properties UE	40	36	32	27

Looking at the data zones with less than 1% of properties unoccupied exemptions in 2016, 26 had above 1% in 2019 (which also means that 13 other data zones had seen unoccupied exemption levels fall to below 1% between 2016 and 2019).

The table below looks at levels of unoccupied exemptions in the 26 data zones. In most of the data zones, the changes are comparatively small in numerical terms, but combined they account for 89 more homes becoming unoccupied exemptions.

While some of these homes may be local authority stock, the figures will also include privately owned homes that may for example have been repossessed, saw owners moving into care homes or owners dying and grants of confirmation not taken. They are shown as an indication of how steadily rising totals in an LA as a whole may be a result of gradual creep in a number of areas. Additionally, these properties can easily fall into disrepair and lead to increases in anti-social behaviour if the property is not being correctly maintained.

Datazones in Dundee City that have increased from less that 1% UE in 2016 to above 2019;	2016 number	2016 %	2019 number	2019 %
Ardler and St Marys - 04	2	0.82	4	1.61
Ardler and St Marys - 06	3	0.98	4	1.28
Balgay - 05	4	0.88	8	1.69
Baxter Park - 04	3	0.96	7	2.19
Broughty Ferry West - 01	2	0.55	5	1.34
Downfield - 01	1	0.37	4	1.45
Downfield - 03	3	0.95	4	1.25
Downfield - 05	4	0.98	5	1.20
Downfield - 06	2	0.84	3	1.23
Downfield - 07	1	0.29	5	1.41
Fintry - 02	3	0.79	5	1.29
Kirkton - 01	3	0.83	6	1.46
Kirkton - 02	1	0.28	5	1.40
Kirkton - 05	2	0.57	4	1.12
Menzieshill - 01	2	0.71	4	1.40
The Glens – 01	2	0.45	14	3.12
West Pitkerro - 02	2	0.57	10	2.80
West Pitkerro - 03	2	0.71	8	2.77
West Pitkerro - 06	3	0.96	4	1.26
West Pitkerro - 07	0	0	4	1.18
Westend - 02	3	0.92	4	1.22
Westend - 04	1	0.33	4	1.31
Western Edge - 03	3	0.87	8	1.72

Conclusions

Empty home levels have been falling in Dundee City but 2019 saw an increase in homes empty for more than 12 months, suggesting that where properties do become long term empty they are now more likely to remain long term empty. It will be important to see what happens when figures for 2020 reported, and how Covid-19 has impacted on attempts to prevent properties becoming long term empty and to return long term empty properties back to use.

It is also important to note that while figures as a whole are near to the national average, this masks some significant variations between neighbourhoods. Empty homes in Dundee City are not spead out throughout the city. Two thirds of the cities empty homes are concentrated in data zones covering just over a quarter of the cities housing stock. These are areas where there is greatest potential for an empty homes officer to take a strategic approach to bringing properties back to use. Elsewhere in the city, the low levels of long term empty homes suggests the need for case by case individual interventions to understand the reasons homes became empty and the barriers for bringing them back to use.