The case for a National Empty Homes Strategy

Parliamentary briefing

September 2026

Big Issue and Resonance are calling on the government to renew efforts to bring empty homes back into use as low-cost rental accommodation in order to ease the housing crisis and tackle rising poverty in the UK.

About Big Issue Group and Resonance

Big Issue has been at the forefront of homelessness and rough sleeping prevention for 35 years this September. Across the UK, we work with over 3,000 individuals each year to earn a legitimate income by selling the Big Issue magazine. Big Issue Invest is our social investment arm, we facilitate investment into organisations creating core solutions to end poverty. Since 2005, we have invested over £100m in more than 500 organisations. This includes those which buy empty homes in order to refurbish them and house marginalised individuals at Local Housing Allowance rates.

Resonance is a social impact investment company launched in 2002 with a mission of connecting capital to social enterprise. We provide life changing homes and solutions for people and communities facing crisis. Through our social investment residential property funds we have provided safe, affordable homes for over 4,500 people in c1,400 properties.

Background

There are more than 309,000 long-term empty homes in England, defined as being vacant for over six months. At the same time, 135,580 households are living in unsuitable temporary accommodation, costing local authorities £2.29 billion in 2023/34, and 1.34 million households are on local authority social housing waiting lists. In the face such high demand for housing, empty homes are a resource that can accelerate progress towards the government's affordable homes targets.

Bringing long-term empty homes back into use is one of the quickest, most cost-effective and environmentally sustainable ways to increase the supply of affordable housing. **We estimate that for the investment cost of every 1 new build, 2.6 empty homes can be brought back into use.** We are calling on the government to show leadership and provide the resources local authorities need to take advantage of empty homes via a National Empty Homes Strategy.

The need for a strategy: present barriers to action

Patchwork government support for bringing empty homes back into use prevents local authorities from developing empty properties in their area at any significant scale, while creating structural bias toward new builds.

Lack of available funding: Home England's Empty Homes programme offers grants of £10,000 per property for Registered Providers, in comparison to an average of £139,000 per new build. This far smaller proportion of the total cost per home still requires the same modern building standards be met, which are exceptionally expensive to achieve when retrofitting existing buildings.

Grant funding under the government's landmark Social and Affordable Homes Programme (SAHP) is heavily targeted toward new builds. As councils and registered providers must compete with well-resourced housing associations and private developers for the same pot of SAHP funding, it is harder to justify bids for more complex, piecemeal empty home redevelopments.

Higher tax costs: Empty home purchases face a 5% Stamp Duty Land Tax (SDLT) surcharge for landlords and social-impact organisations without charitable status, including CICs and social impact property funds. By comparison, building new has no SDLT. Refurbishment works by these providers are subject to 20% VAT, whereas qualifying new-build construction benefits from a 0% VAT rate.

Solutions: What a National Empty Homes Strategy should include

Big Issue and Resonance are calling for a national Empty Homes Strategy centred around a £2bn funding allocation for Strategic Authorities and Local Authorities to draw from to increase the use of long-term empty homes as low cost rental accommodation. The Strategy must also supply the resources and incentives to bring the homes to market.

The need for a central funding allocation

A £2bn fund could support 40,000 empty homes to be used as low-cost rental homes at an average government investment of £50,000 per property. For each home, this would require less than 40% of the public investment cost for new builds, on average. The government's £39bn Social and Affordable Homes Programme (SAHP) aims to support the delivery of 300,000 new build properties at an average government investment of approximately £130,000 per home. This means for the investment cost of every 1 new build, 2.6 empty homes can be brought back into use. It would therefore be highly cost effective for the government to allocate £2bn, either of new or existing funding, to convert empty homes.

We propose the funding should be allocated to Strategic Authorities, or local authorities where they do not exist. These authorities should have autonomy and decision-making powers over how the funding is spent. This proposal complements the government's devolution agenda and recognises that local decision makers are best placed to make decisions based on local need, and to oversee projects that would vary substantially in every postcode – from simple redecoration projects, to remedial structural interventions; to homes being used for temporary accommodation or permanent housing.

Local authorities could use the fund directly or on-lend it to charities, community groups and social enterprises to purchase long-term empty homes. They could also fund private owners to make refurbishment works that enable empty properties to return to the rental market in exchange for a lease period.

- **Case study 1: Big Issue Invest**

Big Issue Invest provided a £251,000 loan to Handcrafted to acquire three derelict properties in the North East. The homes now provide accommodation for four child asylum seekers, with rental income supporting loan repayments.

- **Case study 2: Resonance**

Resonance Community Developers provided £500k investment supporting the provision of affordable homes for families in one of the most deprived areas of England. This funded six three-bedroom properties in an empty building, to be let to local people via a community-led housing organisation. The initial loan led to plans to bring 50 additional empty properties back into use.

- **Case study 3: Wigan Council**

Wigan council offers grants of up to £25,000 for owners to bring empty homes up to a lettable standard. Once work is complete, the council takes on a minimum 5-year lease, with lease payments deferred until the grant has been recovered.

Further measures

Alongside funding streams for empty homes to be brought into use at scale, a National Strategy must look to remove barriers current barrier around empty homes and supply resources and incentives to bring the homes to market. We urge the government to consider the following proposals:

- Reduce stamp duty for purchasers where properties are used to meet local demand for social housing, and who provide homes for those on a pathway out of temporary accommodation.
- A fully-funded local authority duty to investigate and act on long-term empty homes complaints.
- Replace the New Homes Bonus system with rewards for successful empty homes interventions.
- Ringfence Council Tax Premium revenue for local housing initiatives.
- Develop empty homes-specific enforcement powers.
- Include non-Registered Providers (RPs) in the National Housing Bank guarantee.

Contact us

If you're interested in discussing the National Empty Homes Strategy or Big Issue's wider work, we would welcome the opportunity to meet. Please email Rhianon.Steeds@bigissue.com or call 07485908054.