

# Hollow high streets: empty council owned commercial properties

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June 2019



## Introduction

This research looks at the number of commercial properties owned by local authorities that were vacant for either all or some of a 2 year period from 1 January 2016 to 31 December 2017. The research includes information on what councils spent insuring, maintaining, refurbishing and providing security for their vacant non-residential properties.

Non-residential properties can include farms, schools and libraries. But they also include commercial properties such as shops and warehouses. This paper highlights that many local authorities are having to spend substantial sums of money to maintain empty properties for a potential future tenant or owner.

This paper cannot claim to provide a comprehensive representation of the scale of empty commercial properties across different local authorities. It does, however, provide an indication of those regions, counties and towns which are especially suffering from emptying high streets and abandoned warehouses, the upkeep of which is paid for by the taxpayer.

## Key findings

- Between January 2016 and December 2017, at least **6,047** council-owned commercial properties were declared vacant for all or part of that time.
- The total cost of providing security, insurance, maintenance and renovation of these properties was **£74,022,381**.
- Insuring these properties cost at least **£1,329,907**. However, because so many properties are covered by council-wide group insurance policies, the true cost may be substantially higher than this figure suggests.
- Security costs, which can vary from full-time monitoring or putting up security barriers to occasional check-ups on vacant properties, stood at **£7,776,862**. The cost of maintaining these properties meanwhile stood at **£8,085,664**.
- The cost of renovating vacant commercial properties was **£56,829,947**. However, **£51,086,616** of this figure was covered by just 11 properties. The most expensive renovation undertaken in the time period was of Aberdeen Art Gallery, which has been plagued by delays amid fears costs have spiralled beyond its £30 million budget.<sup>1</sup> The delayed opening has reportedly cost Aberdeen city council hundreds of thousands in lost revenues alone.<sup>2</sup>
- The area of the UK with the highest number of vacant council-owned commercial properties was Scotland, at **1,146**. The English region with the highest number of vacant properties was the East of England with **694**.
- Per person, Scotland and Wales are the areas with the highest number of empty commercial properties. Conversely, the areas with the least empty commercial properties per person are London and Northern Ireland.<sup>3</sup>

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<sup>1</sup> Hebditch, J. *Aberdeen Art Gallery delayed again*, Press and Journal, 2018.

<https://www.pressandjournal.co.uk/fp/news/aberdeen/1573888/aberdeen-art-gallery-delayed-again/> (Accessed 25 April 2019).

<sup>2</sup> Merson, A. *Delays over art gallery and Provost Skene's house redevelopments has lost Aberdeen council £300,000*, Aberdeen Evening Express, 2018. <https://www.eveningexpress.co.uk/fp/news/local/delays-over-major-city-redevelopments-has-lost-council-300000/>. (accessed 25 April 2019).

<sup>3</sup> ONS. *Estimates of the population for the UK, England and Wales, Scotland and Northern Ireland, 2018*.

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/populationestimatesforukenglandandwalescotlandandnorthernireland>, (accessed 25 April 2019).

**Table 1: top 10 local authorities with the most empty properties**

Local authority	Number of empty properties
Cheshire West and Chester	185
Bristol	163
Hull	125
Aberdeen	122
Chesterfield	119
Dundee	115
Durham	111
South Lanarkshire	110
Norfolk	108
Ashfield	86

**Table 2: top 10 highest spending local authorities by total expenditure**

Local authority	Total expenditure (£)
Aberdeen	23,328,726
Inverclyde	6,317,199
North Hertfordshire	5,141,505
City of London	5,048,737
Colchester	4,235,582
Croydon	3,082,800
Kirklees	2,338,649
Herefordshire	1,673,648
Bolton	1,222,082
Stoke on Trent	1,168,373

**Table 3: regional breakdown of empty properties and total expenditure**

Region	Number of empty properties	Total expenditure (£)
East Midlands	594	1,523,730
East of England	694	12,147,133
London	269	10,149,804
North East	325	583,276
North West	583	1,946,519
Northern Ireland	60	292,073
Scotland	1,146	31,833,392
South East	613	4,604,914
South West	417	1,220,614
Wales	553	936,338
West Midlands	334	4,749,709
Yorkshire and the Humber	459	4,034,878

[Click here to find out the number of empty properties in your local area](#)

## Methodology

This research was fulfilled by issuing freedom of information (FOI) requests to 415 councils. The request asked the following:

*Please provide an itemised list of non-residential buildings owned by the council that were unoccupied for one month or longer between 1 Jan 2016 and 31 December 2017. Please also include the following information:*

- *The address of the building*
- *The dates during which the building was unoccupied*
- *The cost of insuring the building and its contents during the period it was unoccupied. If this is not possible, please provide an annual amount.*
- *The cost of providing security for the building during the period it was unoccupied. If this is not possible, please provide an annual amount.*
- *Any other maintenance costs during the period it was unoccupied. If this is not possible, please provide an annual amount.*
- *The cost of any renovation works undertaken*
- *The dates any such renovation work was undertaken*

The purpose of this research is to provide a snapshot of the number of empty commercial properties in the UK across 2016 and 2017, and to present the data in a way that enables future research at a local, regional or national level.

Of the 415 councils contacted, 319 fulfilled the request. Of these 319, however, the information supplied was of great inconsistency. Not every council provided the full range of data requested meaning that the total expenditure figures published are in many cases unreliable. Additionally, it is common for local authorities to make use of group insurance policies which means many were unable to provide property-specific insurance figures.

Renovation costs cited may not always be absolute, but may just be the cost of renovation within the two year timeframe of the FOI.

In limited cases, councils did not provide either the list or even the number of empty properties, only providing the costs of maintaining them.

In cases where local authorities have fulfilled the request using financial year figures, these have been included as substitutes for the calendar year if the years provided were 2015-16 or 2016-17.

It is important to highlight that since the data for this research was collected, many properties may have found tenants, been sold or completed renovation works. Conversely, many other commercial properties may now be vacant.

The following local authorities reported that they possessed no vacant commercial properties:

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|-------------------------|------------------------|---------------------|
| ▪ Broadland             | ▪ Gloucester           | ▪ Spelthorne        |
| ▪ Castle Point          | ▪ Hart                 | ▪ Stafford          |
| ▪ Cheltenham            | ▪ Huntingdonshire      | ▪ Stratford-on-Avon |
| ▪ Chichester            | ▪ Melton               | ▪ Tandridge         |
| ▪ Chiltern              | ▪ Richmondshire        | ▪ Tewkesbury        |
| ▪ East Northamptonshire | ▪ South Bucks          | ▪ Uttlesford        |
| ▪ Epping Forest         | ▪ South Cambridgeshire | ▪ Watford           |

## Sources

Hebditch, J. *Aberdeen Art Gallery delayed again*, Press and Journal, 2018.

Merson, A. *Delays over art gallery and Provost Skene's house redevelopments has lost Aberdeen council £300,000*, Aberdeen Evening Express, 2018.

ONS. *Estimates of the population for the UK, England and Wales, Scotland and Northern Ireland*, 2018.