

**FLINTSHIRE COUNTY COUNCIL**

**REPORT TO:**           **CABINET**

**DATE:**               **TUESDAY, 17 JUNE 2014**

**REPORT BY:**       **CHIEF OFFICER COMMUNITIES AND ENTERPRISE**

**SUBJECT:**           **TACKLING PRIVATE LONG TERM VACANT HOMES**  
**– ENFORCED SALES POLICY**

**1.00**   **PURPOSE OF REPORT**

1.01    To introduce to Cabinet an Enforced Sales Policy and seek approval for its use.

**2.00**   **BACKGROUND**

2.01    There are currently circa 450 long term vacant homes in Flintshire, a figure which has been reducing over the last 2 years. This reduction is as a consequence of direct financial assistance through the council's capital programme and specific funding from Welsh Government; alongside an improving housing market.

2.02    The Welsh Government has given priority to increasing housing supply and views empty homes as a key component of this. The commitment given in their Programme for Government is to return 5000 long term vacant homes in Wales to occupation, during this term of government, 2011 – 2016.

2.03    Flintshire County Council has a long and successful history of tackling long term vacant homes. The council was one of the first in Wales to have a dedicated Empty Homes Development Officer and an empty property grants scheme. Through these mechanisms, the council has been providing support to owners of empty properties for approximately 12 years and this is reflected in the relatively low number of empty properties at the present time, in comparison with other parts of Wales.

**3.00**   **CONSIDERATIONS**

3.01    At present the council has a range of options for returning long term vacant dwellings back in to use, one of which is the Law of Property Act. This piece of legislation has been on the statute books since 1925; however, it was rarely used until Manchester City Council decided it would be a good tool to address their growing problem of vacant homes in the early 2000's. At that time it was identified that a little known provision within the Act allowed Council's to force properties in to auction, where there was an outstanding debt.

- 3.02 Relevant debts can include council tax arrears, social care charges and any other debt for work carried out and funded by the council as a result of exercising any of its powers to repair or improve the property. The enforced sales procedure therefore offers the council the potential to resolve the issue of the property being empty and also place it in a stronger position to recover the monies it is owed. The only way the property owner can prevent the property from being placed in auction is to repay the debt. Therefore, to pursue this route, the debt must be significant, so there is reasonable confidence the process will reach a conclusion and the property be sold. The council can then work with the new owner to ensure the property is reoccupied in a timely manner.
- 3.03 Given that council tax debt is a relevant debt for the purpose of enforced sale, it is envisaged that this will become an important tool in the future. The current WG Housing Bill contains provisions for increasing council tax charges for long term vacant homes (over 12 months) up to 150%. The aim is to encourage owners to reoccupy properties, rather than pay the increased charge. Should this remain unaltered in the Housing Bill and become part of the subsequent Act, it will be an option for all Welsh Council's from April 2015. As the additional charge is optional, any increase will need to be the subject of Cabinet approval prior to implementation. However, should the additional charge be approved, it will not only act as a deterrent to property owners leaving their properties unoccupied, it will also increase opportunities for enforced sales and may increase revenues generally.
- 3.04 There are currently a small number of properties across Flintshire, where use of this power would be appropriate. All the properties have an outstanding debt to the council and the council has been unable to secure their reoccupation voluntarily by the owner. One of the properties has social care charges in excess of £40K, where the previous owner and recipient of care is now deceased and the family are unwilling to sell the property, as they wish to live in it, but are unable to fund the cost to make it habitable. The property is in a severely dilapidated state and there is little chance of the current owners ever being in a position to improve it. Given the level of debt owed, they will also not have the ability to prevent the sale, as they cannot repay it. Should an enforced sale be successful, the council's charge is secured and would be repaid out of the proceeds of the sale during the conveyancing process.
- 3.05 During the Scrutiny process, Members of the Joint Environment & Housing Scrutiny indicated that they would value a workshop to inform them of the full range of powers available to return long term vacant homes back in to use. This workshop took place on 2<sup>nd</sup> June 2014.

#### **4.00 RECOMMENDATIONS**

- 4.01 That Cabinet approve the proposed enforced sales policy (appendix 1) and its use.

#### **5.00 FINANCIAL IMPLICATIONS**

- 5.01 A successful enforced sale will allow the council to recover any debts owed which would include a charge for pursuing the action. However, adequate financial provision will need to be made through the councils capital programme to enable works in default of a Notice when required.

#### **6.00 ANTI POVERTY IMPACT**

- 6.01 Activity in respect of long term vacant homes assists property owners to rent or sell their properties. This provides additional accommodation, often at affordable rents to local people.
- 6.02 In addition, where cooperation of the owner is not forthcoming, they can be compelled to bring their property in to use through a sale, with all the benefits highlighted above.

#### **7.00 ENVIRONMENTAL IMPACT**

- 7.01 Returning long term vacant properties back to occupation is more environmentally friendly than building new properties to meet housing need. Additionally the standard of those properties improved are high and as a result this also lessen their environmental impact.

#### **8.00 EQUALITIES IMPACT**

- 8.01 The service in respect of empty homes is beneficial to both property owners and those in housing need.

#### **9.00 PERSONNEL IMPLICATIONS**

- 9.01 There are no personnel implications arising as a result of this report.

#### **10.00 CONSULTATION REQUIRED**

- 10.01 Scrutiny Members indicated that they would value a workshop to understand the full range of powers available to return long term vacant homes back in to use.

#### **11.00 CONSULTATION UNDERTAKEN**

- 11.01 The proposed enforced sales policy was presented at Housing Overview & Scrutiny Committee and was supported.
- 11.02 A workshop to ensure that Members are aware of the full range of powers available to return long term vacant homes back in to use took place on 2<sup>nd</sup> June 2014.

**12.00 APPENDICES**

12.01 Proposed Enforced Sales Policy

**LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985  
BACKGROUND DOCUMENTS**

None.

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