Private Sector Empty Property Strategy
2007-2012
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Empty property affects everyone in some way, either directly or indirectly. It can create problems for the property owner, neighbours, the wider community and the Council.

Long term empty properties deteriorate due to lack of maintenance, lowering the market value of the property itself and neighbouring properties. They attract complaints and contribute to a loss of amenity in the local area. Areas with a number of empty properties may discourage new buyers and business investors leading to a spiral of decline. Costs are incurred by the local authority as a result of enforcement action and loss of Council Tax revenue. They are also a wasted resource in areas of housing need.

Historically, empty homes have tended to be dealt with on the basis of a reactive response to individual complaints. Informed by a significant body of research however, the negative effects of long term empty properties are now well recognised and it is generally accepted that action on empty properties should form part of an authority’s overall planning and strategy. Although there is currently no statutory duty on local authorities to produce an empty property strategy, many already have or are planning some sort of proactive intervention to deal specifically with this problem.

This Private Sector Empty Property Strategy demonstrates the commitment on the part of Wrexham County Borough Council to tackling this important issue. It defines and organises the Council’s approach in dealing with empty property and identifies clear priorities and measurable targets. This strategy forms part of the over-arching community vision, links in with published corporate strategies and its implementation will facilitate the effective use of resources in bringing empty property back into use.

The aims of the strategy are to:

- Reduce the effects of empty property on the property owner, wider community and Council services.

- Reduce the number of long term empty private sector properties within Wrexham County Borough and contribute to the local housing supply by bringing them back into use.
The objectives are to:

- Raise awareness of the issues associated with empty property and identify all long term empty property in Wrexham.
- Maximise the number of properties brought back into use.
- Utilise best practice in the development of a co-ordinated approach to dealing with empty property and contribute to the achievement of corporate priorities.
- Reduce the environmental problems generated by empty property, thereby improving the existing built environment and protecting the impact of local regeneration initiatives.

Scope

For the purposes of this strategy, empty properties will be defined by the following criteria:

- A private sector property, vacant for more than six months, inactive in the housing market and that is a dwelling or has the potential for use as a residential dwelling.
- Properties empty for less than six months are only included in the strategy as far as they may be the subject of enforcement action where necessary in response to a valid complaint as would be the case with occupied private property.

For clarity, other property excluded from the strategy includes:

- A property that is a person’s main home from which they are temporarily absent (e.g. working away from home, being cared for away from home or caring for others).
- Holiday and second homes.
- Property that is going through the process of probate or where probate has been obtained in the previous six months.
Strategic Links

Local authorities have a duty to promote the economic, social and environmental well-being of their local communities and contribute towards the achievement of sustainable development in the UK. To fulfil this duty, Wrexham County Borough in partnership with other public sector organisations, businesses and community and voluntary groups has developed “Wrexham’s Community Vision” which clearly sets out the vision, priorities and goals for Wrexham.

Wrexham County Borough Council (the Council), has a leading role in the Wrexham Community Strategy Partnership, steering the process of achieving the vision, priorities and goals for improving the Wrexham area.

Within this framework for long term improvement 14 corporate priorities are identified, developed and incorporated into the various strategies. Implementation of the recommendations of the Empty Property Strategy is expected to make a significant contribution to the achievement of the following corporate priorities:

- Strengthen community cohesion
- Prosperous businesses, a skilled workforce and regenerated communities
- Improve customer contact and enable the Council to understand their needs and wants
- Release resources to drive delivery of Council priorities and improve service performance
- Improve housing stock
- Reduce crime and the fear of crime
- Improve health, social care and wellbeing (including sustainability)
- Improve quality of local environment

**The Local Housing Strategy**

The Empty Property Strategy links in with the aims and objectives of the Council’s corporate strategies, particularly those of the Local Housing Strategy.

<table>
<thead>
<tr>
<th>Local Housing Strategy Aims</th>
<th>Contribution of Empty Property Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>To improve the quality and sustainability of existing homes and neighbourhoods</td>
<td>Reduction in the detrimental effect of empty property on local amenity. Prevention of structural deterioration and associated problems. Protection of a housing resource.</td>
</tr>
<tr>
<td>To develop more good quality affordable homes</td>
<td>Contribution to the supply of affordable homes.</td>
</tr>
<tr>
<td>To reduce homelessness and rough sleeping</td>
<td>Development of leasing arrangements to contribute to the supply of temporary accommodation and reduce the reliance on the use of bed and breakfast accommodation.</td>
</tr>
<tr>
<td>To ensure that appropriate housing is available for all, particularly the vulnerable and those with special housing requirements</td>
<td>With high housing demand, empty property is a wasted resource. Re-use of empty property contributes to overall housing supply. Links to additional funding and Disabled Facilities Grants can make property suitable for those with special needs where appropriate.</td>
</tr>
<tr>
<td>To provide effective housing</td>
<td>Provision of information, advice and possible</td>
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</tbody>
</table>
advice and promote the full range of housing options available; funding to existing and prospective owners, landlords and tenants.

**Partnership and Consultation**

The implementation of the strategy presents an opportunity for partnership working. New links will be developed and existing ones strengthened with other Council departments and public sector organisations, Registered Social Landlords, private agencies and individuals.

In addition to Housing Standards and Strategy, many other service areas within the Council are seen to be important contributors to achieving the objectives of the Empty Property Strategy.

Included are:
- Council Tax
- Building Control
- Planning
- Economic Development
- Area Renewal
- Housing and Homelessness
- Legal Services
- Estate Management/Valuation

Much of the expertise and local knowledge required to develop and implement the strategy exists already within the local authority. The input of other agencies will be essential in the development and delivery of solutions to the problems created by empty properties however the Council alone has the means to coordinate action Borough wide and if necessary to enforce it.

**Empty Property Working Group**

An Officer group will be established to ensure a corporate approach to the implementation of the strategy and to provide a mechanism for consultation on individual properties. The group will investigate the development of schemes and explore funding options. Initially the group will consist of a core group of officers. As the implementation of the strategy proceeds and schemes are developed, all relevant partners will be invited to participate in the group to ensure effective communication and that necessary procedures are put in place and maintained. The group will also provide a forum for dealing with any unexpected issues or problems which may arise.
Monitoring and Evaluation

It is important that the effectiveness of the practical implementation of this strategy is reviewed regularly. This will ensure that national and local changes in emphasis and legislation are reflected in the strategy as a working document. Additionally a regular review is an important feature of the action plan itself, making the strategy effectively self-regulating. Monitoring and evaluation will be part of the remit of the Empty Property Working Group.

Performance Indicators

Local Authorities in Wales are monitored on their performance in tackling long term vacant properties through the National Assembly for Wales Performance Indicator 4.1b (NAWPI 4.1b). The indicator measures the number of properties demolished or brought back into use as a direct result of Local Government intervention and is defined as

‘the percentage of private sector dwellings that had been vacant for more than 6 months at 1 April that were returned to occupation during the year through direct action by the local authority’.

‘Direct action’ has been defined by the National Assembly for Wales as:

- Grants, loans or other financial assistance either provided or facilitated by the authority
- Advice given to the owner which when followed results in the empty dwelling being returned to use
- Referral to partner registered social landlord or other intermediary with relevant expertise
- Enforcement action
- Enquiries made to establish ownership of property and follow up action
A target of 25 properties to be brought back into use as a result of direct action has been included in the Housing and Public Protection Department Service Plan for 2007/2008.
2. An introduction to empty properties

The number of empty homes within our communities is a significant issue both for residents and for Government locally and nationally. In recent years changes in the housing market combined with unparalleled increases in house prices has led to a problem with affordability for many people. At a time when housing is an increasingly expensive commodity, it is now recognised that empty homes in addition to being detrimental to an area, are a wasted resource to not just the owner but to society as a whole. Whilst there will continue to be a need for the building of new homes, the re-use of existing empty property will contribute to sustainable communities.

Long term empty properties deteriorate due to lack of maintenance, they encourage vandalism and antisocial behaviour, attract fly-tipping and littering and may end up derelict or destroyed by fire. They contribute to a loss of amenity in the local area and almost certainly result in reduced market values of neighbouring homes. Areas with a number of long term empty properties and associated problems may discourage new buyers and local business, resulting in a spiral of decline as confidence is lost.

Definitions

- **Transactional Vacancies**
  This includes properties that are for sale on the open market, under offer or being renovated with the intention to sell or rent upon completion of the work. These properties are necessary in a healthy housing market and can be expected to be re-occupied reasonably quickly. They rarely cause problems for the community or the Council and may only be included in the strategy for the purposes of monitoring.

- **Second Homes**
  Although not occupied on a permanent basis, second homes and holiday homes are excluded from the strategy.

- **Problematic Vacancies**
  The Government classes properties as problematic if they are inactive in the housing market and have been empty for more than six months. The Council may however become involved with properties that have been empty for less than six months if there are problems or enforcement issues.
Causes and Issues

Properties may become empty for a variety of reasons, for example:

- Transitional properties awaiting sale/let
- Inability to sell /low demand
- Renovation in progress
- Repossession
- Owner in hospital or care
- Owner has died and estate is in probate
- Ownership disputes
- Perceived problems and reluctance to rent the property
- Extensive maintenance problems combined with low demand
- Property abandoned / owner unknown
- Tied properties

All of these issues will need to be taken account of when dealing with individual property owners. It is important to remember that the property owner is a key player in the ‘empty property team’ and as such, his or her cooperation is crucial for the successful achievement of the objectives of this strategy. It is essential therefore that the practical benefits to the owner of securing re-use of a property are communicated at an early stage.

The National Picture

The need for an increase in the supply of affordable housing was highlighted by the Barker Review of Housing Supply (2004). Although the recommendations to address this shortfall are mainly concerned with new build, both the Barker Review and the Government’s own research into affordability demonstrate a need to increase the total supply of homes for sale and rent. The Government has outlined a number of key goals in response:

- To provide a step on the housing ladder for future generations
- Provision of quality and choice for those who rent
- To create high quality, mixed, thriving and sustainable communities
- Continuing to tackle homelessness and other acute housing problems

It is clear that the Government recognises the need to make effective use of existing stock in order to achieve these goals. One way of doing this is to bring more empty property back into the market. This has less of an environmental impact than new build as such property is usually located to existing infrastructure and community facilities.

In ‘Sustainable Communities: Homes for All’ (2005), the Government made a commitment to reduce the number of long term empty private properties. The Government has taken a number of steps to provide for fiscal incentives and penalties to encourage the re-use of empty property.
There is a 100% capital allowance scheme to encourage the better use of vacant and under-utilised space above retail premises.

VAT has been reduced to 5% for the renovation of homes that have been empty for 3 or more years and for certain conversions.

VAT has been removed on conversions for sale of properties empty for more than 10 years.

The Council Tax system has been reformed to allow local authorities to charge full rate tax at the end of the statutory exemption period.

Planning Policy Guidance (PPG3) has been revised to give priority to re-use of previously developed land in preference to the development of Greenfield sites.

Whilst there is currently no statutory duty on local authorities to produce an empty property strategy, it is increasingly seen as a necessary part of overall housing strategy. In July 2007, the Minister for Housing and Planning announced the launch of a Housing Green Paper ‘Homes for the Future: more affordable, more sustainable.’ The Green Paper again emphasises the importance of making the most of existing homes and confirms the expectation that local authorities will reduce the number of long term empty homes as part of their strategic housing role. It also contains a commitment on the part of the Government to consult on ways to provide incentives for action on empty homes as part of the Housing and Planning Delivery Grant.

Wales

The most recent estimate of the housing vacancy in Wales taken from the 2001 Census suggests that across all tenures the number of household spaces or vacant dwellings is approximately 51,000. This represents 4% of the total dwelling stock in Wales and compares with 3.4% in England. This figure includes transactional vacant property.

The Assembly’s National Housing Strategy “Better Homes for People in Wales”, 2001 includes a commitment to reduce the number of empty properties across all sectors and in July 2003, the Welsh Assembly Government published a consultation paper seeking views on the adoption of a strategic approach to the problem of private sector empty homes. The Assembly Government’s approach is based on encouraging local authorities to develop empty property strategies and is detailed in earlier guidance “Empty Homes in Wales – Good Practice Guide”, 1997. The commitment to this issue already shown by the Welsh Assembly Government and demonstrated by Wrexham County Borough Council in the development of this strategy is compatible with the Government’s current strategic housing proposals.
3. The position in Wrexham

Wrexham has a buoyant housing market with a relatively low level of vacant properties across all sectors compared with other Welsh authorities. There remains however a number of empty properties within the private sector that are classified as long term empty.

The scale of the problem

The Wrexham Private Sector Stock Condition Survey in March 2006 suggests a total of around 1322 vacant properties. This represents around 3% of the total stock. Of these around 543 are classed as long term vacant i.e. empty for more than six months. These dwellings represent 41.1% of all vacant dwellings. It may be assumed that a proportion of the remainder (58.9%), those classified as newly or mid term vacant may go on to become long term problem vacant dwellings. Any strategy should therefore aim to consistently update information on these properties as part of its action plan as a means of preventing further decline. Council Tax information and a programme of visits are being used to update the existing list of properties to be assessed, supplemented by information from other sources where available.

<table>
<thead>
<tr>
<th>Length of vacancy</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Newly vacant (less than 1 month)</td>
<td>482</td>
<td>36.5</td>
</tr>
<tr>
<td>Mid term vacant (1-6 months)</td>
<td>297</td>
<td>22.4</td>
</tr>
<tr>
<td>Long term vacant (more than 6 months)</td>
<td>543</td>
<td>41.1</td>
</tr>
<tr>
<td>Second/holiday home</td>
<td>0</td>
<td>0.0</td>
</tr>
<tr>
<td><strong>All vacant dwellings</strong></td>
<td><strong>1322</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

*Source: Wrexham County Borough Private Stock Condition Survey 2006*

The location of empty properties across Wrexham County Borough has been mapped to give a visual display in relation to the defined wards. This will allow for the identification of any particular problem areas that may benefit from a specifically targeted intervention.
Distribution of Empty Properties in Wrexham County Borough

See Appendix 2 for full details of empty properties by ward
The Financial Costs of Empty Homes

Costs to the Council

The figure for long-term vacant property within Wrexham County Borough stands at around 543. This is the estimated figure for properties vacant in excess of 6 months. The Local Government Act 2003 gives local authorities the discretionary right to abolish the long standing discount on empty and second homes after the expiry of the statutory exemption period. Wrexham County Borough Council has reduced the 50% discount to Nil from April 2007. Although the Council will not financially benefit directly from this change after the first year, it will benefit indirectly from the reduction in officer time spent dealing with complaints in respect of empty property. It is also thought that the removal of the discount will act as a disincentive to leaving a property empty.

Current system of exemptions in Wrexham

Most dwellings in Wrexham are subject to Council Tax, however some statutory exemptions apply.

Exempted properties include:

- Property where the only residents are students or severely mentally impaired persons.
- Property owned by a charity (for up to six months).
- Property empty as a result of the occupier having gone to prison, hospital or into residential care.
- Those awaiting the granting of probate and for up to six months after probate is granted.
- A dwelling, occupied by a dependent relative, forming part of a single property with another dwelling, e.g. a ‘granny annexe’.
- Property that is uninhabitable or undergoing repair or alterations (exempt for a maximum of twelve months).

Information from the Council Tax department on any change to the status of an exempt property will be invaluable in the monitoring of the empty property database.

Owners’ costs

The owner of an empty property is also subject to costs. The Empty Homes Agency in 1999 estimated the annual cost to the owner of leaving a property empty at over £6000. It is likely that the costs at the time of writing are much higher. This figure takes into account such factors as loss of potential rental income, additional maintenance, repair and security costs due to the effects of vandalism and increased insurance premiums. Even higher costs could be incurred if a property is allowed to become dilapidated and devalues as a result. Such property is also likely to incur costs from enforcement action by the local authority. The message is clear, leaving a property
empty puts it and the community at risk and costs money when it could be providing an income for the owner.

Information from the Wrexham Stock Condition Survey 2006 suggests that the average costs for the comprehensive repairs needed to bring a vacant dwelling to a standard suitable for occupation are likely to be in the region of £9355. Some properties of course will require a much greater investment. It is desirable therefore to intervene before serious problems develop.

**Links to Housing Need and Homelessness**

The need for affordable housing is a national issue. Average prices are increasing faster than household incomes, resulting in an increased and often unrealistic borrowing requirement to gain a foothold on the housing ladder. Despite indications that the rate of increase in house prices is reducing, house prices went up by a further 0.7% across the U.K. in July 2007. In addition, the burden of taking out a mortgage has reached record levels, according to the Council of Mortgage Lenders. In May, first-time buyers needed to borrow an average 3.37 times their incomes to get a foot on the property ladder. The rising interest rates have resulted in first-time buyers having 19.1% of their income swallowed by mortgage repayments. This is the highest proportion since 1992. Figures for other home movers saw payments taking 16.6% of income. This data does not take into account any effects from the interest rate increases in May and July 2007. The figures suggest that affordability pressures will increase further in the future.

This trend is also apparent in Wrexham, where average house prices have increased over a four year period to January 2007 by 57%. The residual supply from Council stock has also diminished over the years as a result of ‘right to buy’ and the rate of new build affordable housing is not keeping pace with demand. The Housing Needs Survey in March 2006 identified a shortfall of 2160 affordable homes over the period of Local Development Plan (2006 to 2021). This equates to an average of 144 units per year. The Plan states that these homes are to be provided through the use of the planning system, prudent management of the Council’s land assets and by returning empty property to occupation.

A healthy private rented sector has a role to play in meeting housing need. Empty homes are a wasted resource and one of the main aims of this strategy is to bring them back into use. Where an owner wishes to maintain ownership of a property, the Council should encourage him or her to enter into a voluntary leasing arrangement. This would give security to the landlord and the involvement of the Council would ensure that housing standards are maintained. Owners would also be encouraged to participate in the Landlord’ Forum.

Homelessness has been increasing both nationally and within Wrexham County Borough in recent years. Several factors have contributed to this increase; a growth in
the numbers of people eligible for assistance, an increase in household size and the shortfall in the supply of affordable housing.

This has placed pressure on the Council's Homelessness Service and caused an over spend on the Bed and Breakfast budget by more than £200,000 in 2005/2006. From April 2007 the Council has an obligation to restrict the use of Bed and Breakfast accommodation for families with children. The availability of alternative and more cost effective temporary accommodation would clearly make a significant contribution to reducing bed and breakfast expenditure. Empty properties if available and suitably renovated could be a valuable resource to house nominated families.
4. Bringing properties back into use

Benefits

The re-use of empty property can bring benefits both financial and otherwise to owners, local authorities and the general public.

Benefits to owners:

- Financial gain as a capital sum on disposal, a rental stream on letting
- Prevention of further deterioration in the building fabric and reduction in the property value.
- Property security
- Reduced risk of statutory action

Benefits to local authorities and the public:

- Provision of a valuable housing resource
- Improvement in stock condition and area amenity
- Reduction in crime and anti-social behaviour
- Encouragement of wider regeneration by building confidence in the local property market
- Environmentally friendly and sustainable contribution to housing needs
- Cost savings to local authorities, police and fire service in responding to complaints and incidents
- Increase in revenue to local authorities from full liability for Council Tax

Previous Work

This strategy builds upon the work carried out under the previous draft strategy. Since its development however there have been important legislative changes and an increased recognition of the relationship between housing supply and empty property. It has become necessary therefore to review our overall approach and explore the potential courses of action available to the Council.

Wrexham County Borough Council has an existing list of long term empty private sector property. This list has evolved over the years as a result of the investigation of complaints, from the involvement of Elected Members, other departments and agencies, from previous surveys and from Council Tax records. Where appropriate informal and enforcement action has been initiated to resolve specific public health issues, for example to remove refuse or to make property secure. A number of properties have also been brought back into use as a result of the involvement of the Council.
The Current Approach

The Empty Property Process

1. Local Intelligence
2. Council Tax / Other Department
3. Land Registry
4. Council Tax
5. Local Intelligence
6. Housing Benefit
7. Complain
8. MP/ Councillor Enquiry
9. Neighbourhood Appraisal
10. Inspection
11. Photographs

Empty Property Identified

Property Assessment

Attempt to identify owner

Owner Identified

Scoring

Property Prioritised

Standard Letter & Information Pack

Response

- Dialogue, undertaking LA scheme or assistance
- Renovate, Sale or Let

No Response

- Threat of enforcement
- Enforcement ESP, CPO or EDMO

Property back into use

Publicise success
Raise awareness
Identification and targeting

The existing empty property list is in need of updating to obtain an accurate base from which to work. To achieve this it will be necessary to visit all the addresses on the list. This work has already begun and information from these visits is being collated. If a property is unoccupied an external inspection is carried out at the time of the initial visit, existing records are checked and relevant information recorded. Each property is then allocated an initial score (See Appendix 1). This score determines the initial position the property occupies on the list. A property may be re-scored at any stage of the intervention as more accurate information is obtained. Property that is found to be empty but is being actively marketed is transferred from the main list to a monitoring database. If active marketing of the property ceases then the property will be scored and returned to the main list for action. This ensures that newly vacant property does not become a problem property by enabling early intervention. The information obtained together with an analysis of the reasons for a property becoming and remaining empty is used to inform the decision making process for appropriate intervention for individual properties. In due course this information will be utilised for reviewing the effectiveness of the strategy.

Information and communication

An officer working group will be established to exchange information and investigate the development of practical schemes and funding options. It is envisaged that representatives will be invited to attend from other departments and sections including Housing, Environmental Health, Planning, Building Control, Area Renewal and Economic Development. Links with other agencies, landlords and developers will also be forged, particularly through the Wrexham Housing Alliance. The Wrexham Housing Alliance was established with the objective of taking responsibility for the ownership and delivery of the Local Housing Strategy priorities. Members of the Housing Alliance include chief executives and directors from Registered Social Landlords, senior local authority officers, representatives from the House Builders Federation, the Welsh Assembly Government and also private sector landlords and homelessness forums.

A suite of leaflets and other information services is being developed to provide advice to owners and others with an interest in empty property. Owners interested in selling or letting their properties will be put in contact with other parties who may be able to assist them. If the property is in poor condition, advice will be given regarding the works necessary to bring a property up to a habitable standard and with finding reputable builders. Where budgets and strategic priorities allow, financial assistance may also be available. Sources of funding will be actively explored by the Officer Working Group.
Financial assistance

The funding requirement for the works could be met by the property owner or financial assistance could be provided by and/or arranged by the Council. This may take the form of a grant or loan. In either scenario it is desirable for the Council to obtain nomination rights from owners in order to fulfil it's commitments to reducing homelessness and increasing the supply of affordable housing. Council involvement and therefore control may be increased by the introduction of a leasing scheme. In all cases the minimum necessary works required to bring a property to a standard suitable for occupation would be decided as a result of an inspection carried out by the Housing Standards Team in line with current legislation and guidance. This will also include a requirement to improve to the decency standard if this is higher than achieved by the minimum works.

Financial assistance would be dependent upon certain conditions, including an agreement of intended letting, consent from the owner for tenant nomination rights for the Council or full participation in a Private Sector Leasing Scheme.

Loans

Low or zero interest loans could be made available to owners of empty property to enable them to fund any renovation works necessary to enable commercial letting of the property. The loan could be limited to a maximum amount or be set as a percentage of the cost of works. To encourage take up, the loan could take the form of an equity release loan to be repaid upon future sale of the property. The loan could be linked to a PSL, (see above). The Council could investigate suitable mechanisms and partnership working with financial institutions to arrange for loans to be provided directly by the Council. A suitable mechanism already exists however for the provision of the finance necessary for renovation works.

Home Improvement Trust Loan

A suitable financial mechanism for offering loan assistance to empty property owners is available through the Home Improvement Trust, a ‘not for profit’ organisation which also operates the Houseproud service. The scheme is not limited to those applicants who qualify on the grounds of financial need through a means test, but is available to all owners of empty property who are looking for a cost efficient way of bringing their property up to a habitable standard and back into use. Both the property and individual circumstances are taken into account in deciding the amount of interest free loan that will be required to carry out the works agreed by the Council. Works not agreed by the Council would be the sole responsibility of the owner and payment would be due to the contractor in respect of such works by the owner direct.

The loan is offered against the available equity in the property, calculated as the value of the property less any outstanding mortgage or other secured borrowing against the property. Costs involved will cover valuation, legal, search and administration fees.
Should the Council decide to cover these costs, then a figure of around £500 per loan application would be required. Additional resources for agency fees would be required to administer the scheme, for example the drawing up of schedules of work and supervision of the works. This could be added to the total loan sum making the scheme revenue neutral. However to encourage uptake and in return for tenant nomination rights it may be expedient for the Council to cover some of the costs associated with the administration of the scheme.

This scheme is a partnership between the Home Improvement Trust and the Council. The Home Improvement Trust supplies the staff to organise the practical aspects of arranging the necessary loan and the Council supplies the services of the professional and technical staff necessary to ensure that the necessary works are carried out to bring the property to a standard suitable for occupation.

The loan is repayable after an agreed period, normally two years but may be up to five depending on the amount borrowed. If unforeseen works come to light and are agreed by the Council then the loan offer may be increased. The loan becomes repayable immediately, should the property be sold within the loan period.

Private Sector Leasing (PSL) is a scheme whereby a local authority or Registered Social Landlord (R.S.L.) leases a property from an owner for a fixed period. During this period the management responsibilities for the property are assumed by the R.S.L. or local authority. They are essentially acting as a managing agent or landlord and as such take on responsibilities for repair, maintenance, insurance, letting and general management during the rental period. The owner is guaranteed rental income including during periods of vacancy and further deterioration of the building fabric and services is prevented. There are also financial benefits to the Council from a reduction in officer time spent on enforcement and savings from a potential reduction in the use of temporary accommodation. A fee may be applied on top of the management costs with the balance paid to the owner as rent. The terms of the lease may vary according to the requirements of all interested parties.

Implementation, monitoring and review

Guidance on practice and procedure will be put in place to guide the whole process from initial inspection through to the property becoming occupied. Progress towards the target will be monitored and reviewed and regular reports will be made to Elected Members and relevant service managers. Publicity will feature at all stages, both to raise awareness and to ensure that advice and assistance reaches the target owners and other interested parties. Where voluntary arrangements cannot be agreed to bring properties back into use, then the full range of enforcement options will be considered.
Enforcement

Policy

The Enforcement Concordat was agreed between Local Authority Associations and the Government in March 1998. It is not mandatory but has been adopted by the majority of organisations including Wrexham County Borough Council.

It deals with:

- Standards of service
- Openness and helpfulness in the provision of information to and dealings with those affected by environmental health legislation and the use of plain language
- Well publicised procedures for dealing with complaints in connection with enforcement and for the guidance of enforcement officers
- Proportionality and consistency in enforcement

The Council will endeavour to act in the spirit of the concordat at all times and has an enforcement policy that fully embraces its principles. Specific performance and response targets will be set with regard to the empty procedures during the review of the Housing Standards enforcement policy.

Powers

In situations where the owner will not work with the Council and/or the property is causing specific problems for neighbours, then the Council will take appropriate enforcement action. The Council has a number of key pieces of legislation to deal with problems arising from the property, including powers to require abatement of statutory nuisance, take action against vermin, deal with dangerous structures and to require owners to secure property against entry. In some cases action can also be taken where a property is deemed to be seriously detrimental to the amenity of an area. In certain circumstances the Council can take action which may result in a property being brought back into use. The following enforcement measures may only be considered as options of last resort in the appropriate circumstances and not as an alternative to non-enforcement options. They are therefore described in this section of the strategy and not in the Option Appraisal section.

Enforcement Action may include the following:

- **Compulsory Purchase**

Compulsory purchase powers enable a local authority to acquire land in order to carry out a function that Parliament has decided is in the public interest. Local Authorities have power under various Acts to enable compulsory purchase of a property. The
Housing Act 1985 provides the legislative framework for the use of powers in relation to private housing. The law relating to compulsory purchase is complex and the process can be lengthy. The Order must be approved by the appropriate Minister and if objections are raised the application may be the subject of a Public Inquiry.

Compulsory purchase can be a useful tool in relation to clearance area action where acquisition through negotiation has failed. The usefulness of this procedure as a method of bringing individual empty properties back into use however is limited due to the costs and timescales involved. Typically it can take up to two years to acquire a property through this process. It is not envisaged therefore that compulsory purchase will be used in the foreseeable future in Wrexham although it is available as an enforcement option in appropriate circumstances.

**Enforced Sale Procedure (ESP)**

The Enforced Sales Procedure (ESP) is a process by which the Council may bring about the sale of a privately owned house. The Law of Property Act 1925 and the Land Charges Act 1975 provide the legislative basis for this procedure. It can be used as a means to “sell on” a long term and problematic empty property to a new owner. It is hoped that the change of ownership will bring investment in the property and subsequent occupation. This is essentially a method of debt recovery and a measure of last resort, however it can be used as a tool for regeneration in certain circumstances. Where an owner has not complied with certain statutory notices, the local authority may undertake works in default of a notice and recharge the cost of the works to the owner. This debt may be registered as a local land charge. An authority that holds one or more charges against a property and the debt remains unpaid may register that debt at the Land Registry as a priority legal interest. In effect this gives the local authority the same powers as a mortgagee, including the power of sale. The local authority can therefore enforce their charge to satisfy the debt. The use of this power is restricted to unoccupied properties that are registered at the Land Registry.

There are revenue costs involved with this procedure, for example, relating to any routine works to make safe etc upon possession of the property, survey fees, auction charges and administration. All costs incurred however are recoverable through the proceeds of sale. This procedure has the benefit of being much simpler and usually quicker than compulsory purchase, the money owed is returned to the public purse and the property is available for sale on the open market without the need for renovation, which in some cases may be prohibitive. The requirement for the local authority to own and manage the property is avoided and the procedure can be used in areas of low or high demand. It has been used successfully for many years by local authorities to deal with individual problem properties. Clearly Enforced Sale can only be used where debts have accrued. The legislation does not impose a minimum value of charge that must exist before the procedure is used, however it would not normally be considered appropriate to pursue this course of action where a nominal charge subsists. The owner may of course repay the debt at any point and proceedings must then be abandoned. The threat of or start of proceedings however, may encourage the
owner to enter into negotiations with the local authority and of course outstanding debts and interest will have been repaid to the Council. This procedure may be of use where debts against the property exist and other methods of ensuring occupation have failed. It may be the preferred option where a property has been abandoned and the owner cannot be traced. In order for this to procedure to be used it is absolutely essential to have effective arrangements in place for undertaking works in default and to establish procedures to ensure that resulting unpaid debts are registered as local land charges.

**Empty Dwelling Management Orders**

The Housing Act 2004 introduced the Empty Dwelling Management Order (EDMO) as a tool for local authorities to take over the management of a property with the aim of bringing it back into use. The property must meet certain criteria and a local authority must first get approval from the independent Residential Property Tribunal. Subject to conditions, the management of the property can be taken over by the local authority for a period of up to seven years. In the first instance the local authority must present a case for an interim EDMO. Under an interim EDMO, if granted, the local authority must obtain the permission of the property owner before it can arrange for occupation of the property. The local authority can then apply for a final EDMO which does not require consent from the owner to grant occupation rights. At the end of the leasing period the property returns into the control of the owner who then has the choice of entering into another arrangement with the local authority or occupying, letting or selling the property.

An EDMO is another tool of last resort to be considered in situations where the owner is uncooperative and the local authority has determined that acquisition is not the most appropriate course of action. It is intended to operate on similar principles to and alongside private sector leasing arrangements, not replace them. It necessitates the local authority or Registered Social Landlord having effective arrangements in place for the letting and management of the property and may involve considerable initial administrative involvement and financial outlay. It is an option that is not envisaged as practical until the local authority has in place the administrative structures necessary for the management of a property subject to an EDMO. It does however provide a back-up where owners turn down offers of assistance where practicable and have no plans of their own to bring a property back into use.

**Conclusions and Future Decisions**

In considering the options and how best to compare their potential effectiveness in achieving the aims and objectives of the strategy, an analysis of various methods of comparison was made. The method used was a modified version of a recognised project management tool adapted to suit the requirements of this particular strategy at this time. The options were appraised against relevant criteria in their potential to fulfil the aims and objectives of the strategy. It is important to recognise that
The implementation of the strategy will include monitoring and review of the chosen option or options and may highlight further criteria that should be factored into the decision making process in the future.

The Strategy proposes to rely on a series of incremental steps and procedures applied to individual empty properties as appropriate and practicable. The first of these steps is to offer advice and information to the owner. Where the property is presenting problems that give rise to public health, nuisance or safety concerns then reactive enforcement will be considered. Where owners are inclined to co-operate with the Council then opportunities such as the offer of loans through the Home Improvement Trust for example, would be encouraged to bring properties to a standard ready for occupation. This route would carry conditions on future occupation and/or an expectation of nomination rights for the Council. It may also be feasible for the Council’s Homelessness team to acquire the properties under private sector leasing arrangements for a fixed period to provide temporary accommodation for homeless applicants.

After these options have been considered, should a property remain empty and the owner is not taking action to return the property back into use then the use of more significant powers will be considered, in particular Empty Dwelling Management Orders. With some exceptions, these allow the Council to apply to the Residential Property Tribunal to secure control of the property for a maximum period of seven years. This would permit the Council to bring the property up to an appropriate standard and take over the management of the property. Repair costs would be met by any rental income until paid off. The management and rental of the property could also be undertaken by a Registered Social Landlord (RSL).

It is intended that the Officer Working Group, with a named officer from Housing Standards taking the lead, will be the driving force for the implementation of the strategy. Partnerships will be forged and developed where appropriate and beneficial and there will be attendance at relevant forums and meetings to keep abreast of any new developments and best practice. Investigation of potential funding sources, including from the Social Housing Grant will be made and new initiatives will be ongoing. Regular reports will be generated for service managers and elected members. It is expected that a full progress review will take place after the first twelve months of the implementation of the strategy and that regular review dates be agreed for the operation of any scheme that is developed as a result.
Appendix 1 - The Scoring System

The scoring system is designed to give empty properties an initial place on the empty property list after an external inspection. With a high number of properties on the existing list, there needs to be a way of filtering the individual properties to enable targeting for action and the system below is intended as a starting point for further assessment and if necessary re-scoring.

Background

There are many variables that can be taken into account when scoring an empty property. Which ones are important will depend on the nature and size of the area, its specific problems and the priorities of the individual Local Authority. This system is intended to target both the properties that cause the most problems to the local community and also ones that may with minimal assistance be brought back into the housing market thereby contributing to housing supply. This is in response to the position taken by the Government and Welsh Assembly in recognition of the importance of the re-use of empty homes in meeting local housing need.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Weighting</th>
<th>Score</th>
<th>Weighted Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental impact</td>
<td>Minor = 25</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Moderate = 50</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Major = 100</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>30%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of complaints in last 12 months</td>
<td>None = 0</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Up to two = 50</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Three or more = 100</td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td>Number of actionable complaints in last 12 months</td>
<td>None = 0</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>One = 50</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Two or more = 100</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>Local Land Charges registered against the property</td>
<td>None = 0</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Up to £1000 = 50</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>£1000 or more = 100</td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td>Can the owner be identified?</td>
<td>Yes = 100</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>No = 0</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>20%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Can property be made habitable at minimal cost?</td>
<td>Up to £1000 = 100</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Up to £10000 = 50</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>More than £10000 = 10</td>
<td>30%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Derelict = 0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Criteria

Environmental impact

This will be assessed by the inspecting officer using professional judgement together with guidance notes produced alongside the strategy.

Number complaints in the last twelve months

It is reasonable to include this as one of the scoring criteria as it is a reflection of the level of problems being potentially caused, or ‘perceived’ to be caused by the property. It is important to bear in mind that complaints about empty properties may concern a range of issues, such as worries regarding property valuation and be general rather than in connection with specific physical and actionable problems. An empty property that is not having a major environmental impact will still attract complaints from some residents. The inclusion of this item is in recognition of that concern.

Number of actionable complaints

This item merits a separate score as it is a true record of investigated complaints, held to be valid and where action, formal or informal was taken to resolve the issue. A higher score here clearly indicates problems with the property and rightly adds another level to the existing score.

Debts charged against the property

This item is closely related to the preceding three. It again builds another level of the scoring related to the impact of the property in terms of problems caused. It also identifies cases where formal action for resolution of a valid complaint has been required and the owner or person responsible has not complied with a statutory notice. It is important to remember that in some cases non-compliance may not be due to a lack of cooperation from the owner, but because the owner was unknown at the time the notice was served. This will obviously be investigated further when the property reaches the top of the list and is targeted for further action. The information is also useful in informing the use of certain enforcement options.

Can the owner be identified?

Identification of the owner is of great importance as it allows for constructive dialog with regard to the future of the property, particularly with regard to its inclusion in any scheme designed to bring it back into use for the rental market. Having the cooperation of the property owner is likely to be the most effective and cost efficient way of dealing with empty homes, hence the relatively high weighting given to this item.

Can the property be made habitable at minimal cost?

This item is also weighted fairly heavily in order to bring up the list properties that require minimum work to be brought to a habitable standard. This ensures that the scoring system targets properties in a way that satisfies both aims of the strategy.
## Appendix 2 – Empty Property Distribution by Ward

<table>
<thead>
<tr>
<th>Ward</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acton ED</td>
<td>8</td>
</tr>
<tr>
<td>Borras Park ED</td>
<td>8</td>
</tr>
<tr>
<td>Bronnington ED</td>
<td>14</td>
</tr>
<tr>
<td>Brymbo ED</td>
<td>8</td>
</tr>
<tr>
<td>Bryn Cefn ED</td>
<td>13</td>
</tr>
<tr>
<td>Brynyffynnon ED</td>
<td>19</td>
</tr>
<tr>
<td>Cartrefle ED</td>
<td>6</td>
</tr>
<tr>
<td>Cefn ED</td>
<td>31</td>
</tr>
<tr>
<td>Chirk North ED</td>
<td>7</td>
</tr>
<tr>
<td>Chirk South ED</td>
<td>7</td>
</tr>
<tr>
<td>Coedpoeth ED</td>
<td>25</td>
</tr>
<tr>
<td>Dyffryn Ceiriog/Ceriog Valley ED</td>
<td>20</td>
</tr>
<tr>
<td>Erddig ED</td>
<td>13</td>
</tr>
<tr>
<td>Esclusham ED</td>
<td>19</td>
</tr>
<tr>
<td>Garden Village ED</td>
<td>14</td>
</tr>
<tr>
<td>Gresford East and West ED</td>
<td>36</td>
</tr>
<tr>
<td>Grosvenor ED</td>
<td>24</td>
</tr>
<tr>
<td>Gwenfro ED</td>
<td>7</td>
</tr>
<tr>
<td>Gwersyllt East and South ED</td>
<td>21</td>
</tr>
<tr>
<td>Gwersyllt North ED</td>
<td>17</td>
</tr>
<tr>
<td>Gwersyllt South ED</td>
<td>6</td>
</tr>
<tr>
<td>Hermitage ED</td>
<td>17</td>
</tr>
<tr>
<td>Holt ED</td>
<td>17</td>
</tr>
<tr>
<td>Johnstown ED</td>
<td>12</td>
</tr>
<tr>
<td>Little Acton ED</td>
<td>20</td>
</tr>
<tr>
<td>Llangollen Rural ED</td>
<td>18</td>
</tr>
<tr>
<td>Llay ED</td>
<td>12</td>
</tr>
<tr>
<td>Maesydre ED</td>
<td>11</td>
</tr>
<tr>
<td>Marchwiel ED</td>
<td>17</td>
</tr>
<tr>
<td>Marford and Hoseley ED</td>
<td>5</td>
</tr>
<tr>
<td>Minera ED</td>
<td>18</td>
</tr>
<tr>
<td>New Broughton ED</td>
<td>28</td>
</tr>
<tr>
<td>Offa ED</td>
<td>25</td>
</tr>
<tr>
<td>Overton ED</td>
<td>29</td>
</tr>
<tr>
<td>Pant ED</td>
<td>5</td>
</tr>
<tr>
<td>Penycae and Ruabon South ED</td>
<td>21</td>
</tr>
<tr>
<td>Penycae</td>
<td>5</td>
</tr>
<tr>
<td>Plas Madoc ED</td>
<td>2</td>
</tr>
<tr>
<td>Ponciau ED</td>
<td>28</td>
</tr>
<tr>
<td>Queensway ED</td>
<td>4</td>
</tr>
<tr>
<td>Rhosnesni ED</td>
<td>12</td>
</tr>
<tr>
<td>Rossett ED</td>
<td>23</td>
</tr>
<tr>
<td>Ruabon ED</td>
<td>16</td>
</tr>
<tr>
<td>Smithfield ED</td>
<td>17</td>
</tr>
<tr>
<td>Stansty ED</td>
<td>19</td>
</tr>
<tr>
<td>Whitegate ED</td>
<td>9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>713</strong></td>
</tr>
</tbody>
</table>