



Llywodraeth Cymru
Welsh Government

WRITTEN STATEMENT BY THE WELSH GOVERNMENT

TITLE Consultation On Proposals For Discretionary Powers To Increase Council Tax On Long-Term Empty Properties

DATE 31st July 2012

BY Carl Sargeant, Minister for Local Government and Communities

On 21 May the Minister for Housing, Regeneration and Heritage published the Housing White Paper: *A White Paper for Better Lives and Communities*. It outlines the Welsh Government's long-term strategy to meet the Welsh Government's commitment to ensure the provision of good quality affordable homes for everyone in Wales, including a commitment to modernise the private-rented sector by introducing measures to improve standards of management and property condition.

One of the many areas addressed in the White Paper is the issue of empty properties. A 2010 study by Cambridge University indicated that an additional 284,000 new homes will be needed across Wales by 2026. The Welsh Local Government Association also undertook a study in 2010 that estimated that 22,000 properties in Wales had been vacant for a period of more than six months.

Bringing such empty properties back into use would not only make a significant contribution to meeting the forecast demand for housing, but could also have benefits in terms of improving the local economy, environment and community within which these properties are located. Empty properties can be a blight on local communities, often becoming unsightly if disrepair or vandalism occurs.

One of the tools proposed in the White Paper therefore is to extend local government powers to apply varying levels of council tax to empty properties in Wales. It is proposed that Welsh Ministers grant local authorities the power

to levy council tax beyond the full standard council tax on homes that are deemed to have been empty for a long period of time. The proposal would give authorities more freedom to implement policies that are best suited to local circumstances and which could assist most with local housing problems.

Having responsibility for Local Government and Communities, I am very aware of the detrimental affect that a lack of housing can have – on the people involved, on communities and also on local government. As such I am launching this consultation to invite the views of the Welsh public on the use of the council tax system as a possible incentive to bring properties that have been empty for a long period of time back into use, and provide additional housing that is greatly needed. The consultation document also asks for suggestions on the technical aspects that providing this additional power to local authorities might involve, including defining the period when a property is empty before an additional charge can be levied.

The consultation period will run for a period of three months and responses are requested by 20 October 2012. The consultation paper is being issued to local authorities, housing associations, social landlords, advice agencies and other relevant organisations with an interest in local taxation, housing and citizen welfare. It will also be published online and will be available to all via the following link:

<http://wales.gov.uk/consultations/localgovernment/ctaxemptyhomes>

This statement is being issued during recess in order to keep members informed. Should members wish me to make a further statement or to answer questions on this when the Assembly returns I would be happy to do so.