



## Belfast City Council

<b>Report to:</b>	Special Policy and Resources Committee
<b>Subject:</b>	Vacant Properties
<b>Date:</b>	17 October 2008
<b>Reporting Officer:</b>	Trevor Salmon, Director of Corporate Services
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### Relevant Background Information

The level of losses from vacant properties in Belfast is a major concern. In 2007/08 losses from domestic vacant properties increased from £3.6m to £6.1m and from £10.6m to £14.1m for non-domestic vacant properties. Members should note that currently vacant domestic properties are not charged rates and non-domestic vacant properties are only charged 50% rates.

It is therefore important to make sure that properties are properly identified as being vacant. This work is the responsibility of LPS. It is our understanding that no physical verification of vacant properties has been done by LPS since 2005.

The purpose of this report is to inform Members of the results of an exercise carried out by the Council in conjunction with LPS to verify the vacant property position in Belfast.

### Key Issues

On initiation from the Core Improvement Team, an agreement was reached between the Council and LPS that the Council's Building Control Service would carry out, over a six week period, inspections on behalf of LPS to check whether properties defined as vacant were still in fact vacant.

The registers from LPS showed that some 13,500 properties were listed as vacant across the city. Staff from the Building Control Service surveyed a total of 10,521 properties and found that 51% of them to be occupied. In essence this means that 5,365 properties in Belfast were not paying the level of rates that they should have been. The details of these properties have been passed to LPS so that rates bills can be issued.

In financial terms, it is estimated that this exercise will result in an additional £3.33m of rate income for the Council. £1.14m should be received as part of the 07/08 finalisation

figure and the remainder will come through in 2008/09 and 2009/10.

As a consequence of this exercise the vacant property list is more up-to-date and accurate. The Council should receive an additional £3.33m income - £2.19m of this represents year on year additional rate income assuming that the properties remain occupied. It has been done at no cost to the ratepayer and is an excellent example of how the Council can join up both internally and externally to deliver on projects. It also demonstrates the value of having a Building Control Service which has an intimate knowledge of the properties in the city and staff who are able to use this knowledge outside of traditional building control boundaries.

Members should note that LPS has recently requested Building Control to carry out further vacancy inspections and this has been agreed by the Health and Environmental Services Committee.

The key issue for Members now is to seek assurances from LPS that the information provided by Building Control on vacant properties will be processed in an efficient manner so that rates bills can be issued as soon as possible. The outcome of this work should also be reflected in the rate income estimate for 2009/10.

#### **Recommendations**

The Committee is requested to:

1. Note the outcome of this project, the excellent work carried out by the Building Control staff and the resultant impact on the rates
2. Agree for the Council to formally seek assurances from LPS on the timeliness of the processing of the vacant property information provided by Building Control.