



The Local Government, Housing and Planning Committee: Follow-up inquiry into empty properties

Submission by the Federation of Master Builders (FMB) Cymru

16th October 2026

About us:

FMB Cymru represents small and medium-sized building firms operating across Wales. Our members build, repair, renovate and improve homes and other buildings in communities throughout the country.

FMB Cymru previously contributed oral evidence to the Committee's 2019 inquiry. Our interest remains primarily in the practical measures required to bring empty properties back into safe, sustainable use, and in ensuring that competent local building firms can play a full role in delivering this work.

Summary

FMB Cymru welcomes the Committee's decision to revisit this issue. Empty properties are a wasted housing and economic resource. They can contribute to neighbourhood decline whilst, at the same time, Wales faces significant housing pressures and an urgent need to improve the condition and energy efficiency of its existing housing stock.

The scale of the challenge remains considerable. Figures published by the Empty Homes Network indicate that Wales had 38,058 empty homes in 2026, including 23,033 that had

been empty for more than six months.¹ This suggests that, despite meaningful government action since 2019, empty properties remain a persistent structural problem.

FMB Cymru recommends that:

1. the Welsh Government publishes a national empty properties strategy, with clear objectives, responsibilities and measurable outcomes;
2. financial assistance for owners is retained, but application and approval processes are simplified;
3. each local authority has access to a dedicated empty properties officer or regional service;
4. council tax premiums are applied proportionately and are coordinated with grant approval and renovation timescales;
5. local SME building firms are more deliberately involved in delivering empty property programmes;
6. funding supports high-quality, energy-efficient renovation rather than minimum short-term repairs alone;
7. empty property policy is aligned with construction skills and apprenticeship policy;
8. improved national data is published on the number, type and condition of empty residential and non-residential properties.

Progress since the 2019 inquiry

FMB Cymru recognises that progress has been made since the original inquiry.

The Welsh Government's December 2022 update identified a number of positive developments. These included Houses into Homes and Transforming Towns loans, training for around 850 local authority officers and councillors, Empty Property Enforcement Action Plans, specialist enforcement support and a £15.2 million fund intended to reduce the financial risk to local authorities taking enforcement action. The update also said that Houses into Homes and Transforming Towns had together brought around 2,000 residential units back into use at that point.²

The introduction of the £50 million Empty Homes Grant Scheme in January 2023 was another important intervention. It was established with the ambition of helping to bring up to 2,000 empty homes back into use and provides grants of up to £25,000, subject to eligibility requirements.³

However, progress has not yet been sufficient to reduce the problem at the necessary scale. In our view, the absence of the national action plan recommended by the Committee in 2019

¹ <https://ehnetwork.org.uk/read/new-report-highlights-scale-of-empty-homes-across-wales-in-2026>

² <https://business.senedd.wales/documents/s171808/Update%20from%20the%20Welsh%20Government%20on%20implementing%20the%20Committees%20recommendations%20-%2013%20December%202022.pdf>

³ <https://www.gov.wales/empty-homes-grant-scheme-evaluation-summary-html>

remains significant. Individual schemes, enforcement programmes and local authority initiatives have value, but they should sit within a clear national framework.

We therefore recommend that the Welsh Government now publishes a national empty properties strategy covering residential, commercial, heritage and other potentially reusable buildings. This should include:

- a clear national baseline;
- measurable outcomes, rather than funding announcements alone;
- defined responsibilities for the Welsh Government and local authorities;
- consistent reporting arrangements;
- a framework for sharing good practice;
- arrangements for involving local contractors;
- periodic independent evaluation.

This does not mean that we should impose an identical approach on every area. The causes of empty properties differ considerably between urban, rural, coastal and post-industrial communities. A national strategy should set direction and standards whilst allowing local action to reflect local circumstances.

Empty Homes Grant Scheme

FMB Cymru supports the principle of providing financial assistance to owners who would otherwise struggle to meet the cost of making an empty property habitable.

The Welsh Government's 2025 evaluation found that 582 properties had been approved for support between January 2023 and April 2025, with grants worth £13.2 million. Of these, 241 properties had reached completion, receiving £5.4 million in grants. The evaluation concluded that the scheme was making progress, but identified barriers including unclear eligibility, approval delays, difficulties obtaining quotations, pressures on local authority capacity and the requirement to complete work within nine months.⁴

These findings reflect the practical realities of renovation work. Empty properties are often technically complex. Problems with damp, structure, drainage, roofing, utilities or previous alterations may only become clear after work begins. Heritage buildings and properties requiring planning permission can create additional delays.

A nine-month deadline may be achievable for some straightforward projects, but it should not be applied inflexibly where there are legitimate construction, planning, procurement or building control issues. Extensions should be available through a clear and proportionate process.

⁴ <https://www.gov.wales/empty-homes-grant-scheme-evaluation-summary-html>

The £25,000 grant limit should also be reviewed periodically against actual construction costs. The objective should not be to meet every renovation cost from public funds, but the value of the grant must remain sufficient to unlock projects that would not otherwise proceed.

The evaluation also identified the effect of approval delays on contractors, who may be asked to provide quotations and reserve capacity but then receive no certainty about when work will start. This is particularly difficult for small building firms, who cannot leave gaps in their order books indefinitely.⁵

We recommend:

- an initial eligibility check before an owner is required to obtain detailed quotations;
- a clear checklist setting out the information required at each stage;
- indicative decision timescales;
- a named point of contact for each applicant;
- greater flexibility around completion deadlines;
- regular review of the maximum grant;
- prompt and predictable staged payments; and
- a referral route to other assistance where an applicant is ineligible.

The Welsh Government should also consider how council tax premiums interact with grant administration. Owners should not be financially penalised because they are awaiting a decision, inspection or payment from a publicly administered scheme, provided they are genuinely and demonstrably working to bring the property back into use.

Supporting owners alongside enforcement

FMB Cymru recognises the need for effective enforcement powers where properties have remained empty for prolonged periods and owners refuse to engage. Derelict properties can cause serious problems for neighbouring residents and wider communities.

However, enforcement should form part of a graduated approach. Many properties remain empty because of probate, unclear ownership, financial constraints, the condition of the building or a lack of knowledge about the renovation process. In such circumstances, practical support may achieve a better and quicker outcome than penalties alone.

Every local authority should therefore have access to a dedicated empty properties officer or a properly resourced regional service. That service should be able to:

- contact and advise owners;
- explain grants, loans and tax implications;
- help owners understand planning and building control requirements;

⁵ <https://www.gov.wales/empty-homes-grant-scheme-evaluation-summary-html>

- signpost competent contractors;
- coordinate complex cases across council departments; and
- move towards enforcement where reasonable assistance has failed.

The 2022 Welsh Government update recognised the value of specialist officers and discussed regional empty homes support. FMB Cymru believes this should now become a consistent and properly funded feature across Wales rather than depending on local capacity.⁶

The role of local SME builders

Small building firms are well placed to undertake empty property work. They are rooted in their communities, understand local housing types and supply chains, and are accustomed to the one-off and technically varied nature of renovation.

However, programmes must be designed in a way that enables SMEs to participate. Large frameworks, disproportionate insurance requirements, complex tendering systems and delayed payment can unintentionally exclude smaller local firms.

Publicly supported schemes should therefore:

- divide work into packages that are accessible to SMEs;
- use proportionate procurement and insurance requirements;
- avoid excessive duplication in supplier registration;
- provide a clear forward pipeline of work;
- pay contractors promptly;
- assess competence and quality, not price alone;
- encourage engagement with accredited local firms.

Using local firms can retain more of the economic benefit within the community and create opportunities for apprentices and new entrants. It can also help develop a sustainable local market capable of undertaking future repair, maintenance and retrofit work.

Quality, consumer protection and energy efficiency

Bringing a property back into occupation must not become a race to complete the cheapest possible repairs. Poor-quality renovation can lead to recurring damp, ventilation and energy-performance problems, whilst undermining public confidence in government-backed schemes.

⁶<https://business.senedd.wales/documents/s171808/Update%20from%20the%20Welsh%20Government%20on%20implementing%20the%20Committees%20recommendations%20-%2013%20December%202022.pdf>

Work funded through empty property programmes should be undertaken by competent firms and subject to appropriate quality assurance. FMB Cymru's wider position is that a UK-wide licensing scheme for building firms would help improve standards and consumer protection. Until such a system exists, public programmes should use meaningful competence and accreditation requirements, backed by inspection and accessible dispute-resolution arrangements.

Schemes should also take a whole-building approach. Measures to improve insulation, heating, ventilation and moisture management should be considered together. Improving one element without understanding its effect on the rest of the building can create unintended problems, particularly in older and traditionally constructed homes, which we have an abundance of here in Wales.

The current grant evaluation noted concerns about limitations on the work that may be funded. FMB Cymru recommends reviewing eligible measures so that schemes can deliver warm, healthy and energy-efficient homes rather than simply removing the most immediate hazards.⁷

Skills and workforce capacity

Empty homes policy cannot be separated from the wider construction skills challenge.

Renovating older and deteriorated properties requires experienced tradespeople with skills in areas such as roofing, plastering, carpentry, masonry, damp and moisture management, building services and traditional construction. These are precisely the skills that will also be needed to retrofit Wales's wider housing stock.

An expansion in empty property activity without corresponding workforce planning risks increasing delays and costs. Government must therefore coordinate housing, retrofit and skills policy.

FMB Cymru recommends that:

- empty homes and retrofit programmes publish a visible forward pipeline of work;
- procurement encourages contractors to train apprentices;
- training provision includes retrofit and traditional building skills;
- financial support is directed towards SMEs taking on and supporting apprentices;
- Close collaboration between Empty Homes programmes with Regional Skills Partnerships to identify regional skills needs.

This would allow empty property programmes to provide not only additional homes, but also sustainable employment and training opportunities.

Data and accountability

⁷ <https://www.gov.wales/empty-homes-grant-scheme-evaluation-summary-html>

The 2019 Committee recommended improved data that did not rely solely on council tax records and included derelict and non-residential properties. The 2022 Welsh Government update acknowledged continuing gaps in this area.⁸

Those gaps should now be addressed. Council tax data remains important, but it does not provide a complete picture of buildings that could potentially be converted or returned to use. National reporting should distinguish between:

- short-term vacancies;
- homes empty for more than six months;
- homes empty for more than 12 months;
- properties empty for several years;
- properties subject to probate or other exemptions;
- derelict residential buildings;
- empty commercial premises with residential potential;
- properties returned to use following public intervention.

The Government Statistical Service has highlighted differences in the definitions and recording of empty homes and has stressed the importance of understanding those differences when comparing data. Clear and consistent Welsh data would make it easier to evaluate which interventions are working and to target support effectively.⁹

Conclusion

Empty properties will not resolve Wales's housing pressures on their own, and bringing an existing property back into use is not always quicker or cheaper than building a new one. Nevertheless, leaving tens of thousands of homes unused while communities face housing shortages is neither economically nor socially sustainable.

The policy framework should move from a collection of worthwhile but sometimes disconnected interventions towards a coordinated national strategy. That strategy should combine assistance, incentives and enforcement; strengthen local authority capacity; simplify access to funding; involve competent SME builders; and connect housing delivery with retrofit and skills policy.

FMB Cymru and its members stand ready to support this work and to help develop practical solutions that turn more empty properties into safe, energy-efficient and lived-in homes.

⁸<https://business.senedd.wales/documents/s171808/Update%20from%20the%20Welsh%20Government%20on%20implementing%20the%20Committees%20recommendations%20-%2013%20December%202022.pdf>

⁹ <https://analysisfunction.civilservice.gov.uk/policy-store/empty-homes-statistics-from-across-the-uk-2026/>