

REPORT TO: Cabinet Member Regeneration
Cabinet
Council

DATE: 14 April 2010
15 April 2010
13 May 2010

SUBJECT: Enforced Sales Procedure and Property at 24 Lander Road,
Litherland

WARDS AFFECTED: All

REPORT OF: Alan Lunt – Neighbourhoods and Investment Programmes
Director

CONTACT OFFICER: Neil Davies - Housing Market Renewal Division Strategy
Manager 934 4837

**EXEMPT/
CONFIDENTIAL:** No

PURPOSE/SUMMARY: To seek approval to the new 'Enforced Sales' Procedure, and in particular to utilise this procedure in respect of a long-term empty property at 24 Lander Road, Litherland.

REASON WHY DECISION REQUIRED:
Cabinet has delegated authority to make decisions in respect of the adoption of such policies

RECOMMENDATION(S):

That Cabinet Member Regeneration notes the report

That Cabinet

1. Approves the use of Enforced Sale powers and the Policy and Procedures as set out in the attached Guide.
2. Recommends the Council to amend the Constitution so that the Cabinet Member - Regeneration has delegated powers to authorise the use of the Enforced Sales Procedure
3. Approves the use of the Enforced Sales Procedure in respect of the property at 24 Lander Road, Litherland.

KEY DECISION: No

FORWARD PLAN: No

IMPLEMENTATION DATE: Upon expiry of the call-in period of the Cabinet Meeting.

ALTERNATIVE OPTIONS: The Council has already introduced a new Empty Property Strategy, which outlines various options to attempt to return empty homes back into use.

In the case of 24 Lander Road, enforcement notices and works in default have been carried out in the past, to control the negative effects of dilapidation caused by this property. However, the owner has never responded to these actions and the house remains empty. The Council could exercise its use of Compulsory Purchase Powers, but in this instance Enforced Sale is considered the most appropriate option to take, particularly to recoup the debts owed. Alternatively the Council could choose to take no further action, but the house would remain empty and debts to the Council would remain owed.

IMPLICATIONS:

Budget/Policy Framework:

The Empty Properties Strategy was approved by Cabinet in October 2009, which included the use of ‘Enforced Sales’ as one of a number of enforcement tools the Council may utilise.

Financial:

Successful Enforced Sales will generate payments of historic debts that are owed due to enforcement actions and work in default undertaken on properties. In the case of 24 Lander Rd, debts totalling £13,411 will be repaid from the sale proceeds. However, the Council may need to provide a grant to support refurbishment of the property and its return to use as a social housing unit, for which the Council will receive tenancy nomination rights. The cost of any such grant can be met from existing capital resources.

<u>CAPITAL EXPENDITURE</u>	2009 2010 £	2010/ 2011 £	2011/ 2012 £	2012/ 2013 £
Gross Increase in Capital Expenditure				
Funded by:				
Sefton Capital Resources				
Specific Capital Resources (HMR & WNF)				
<u>REVENUE IMPLICATIONS</u>				
Gross Increase in Revenue Expenditure				
Funded by:				
Sefton funded Resources				
Funded from External Resources				
Does the External Funding have an expiry date? <u>Y</u> /N	When? HMR March 2011			
How will the service be funded post expiry?	No ongoing service implications			

Legal: The Council will be exercising its legal powers under the Law of Property Act 1925, which gives the Council the statutory power to recover costs it has incurred through works in default by enabling the sale of a property to an organisation committed to ensuring it is improved and occupied.

Risk Assessment: During the Enforced Sales Process the property owner may repay the debts owed. While this would satisfy one objective (debt repayment) it does not necessarily mean that the owner will refurbish a property or return it to use and occupation

Asset Management: The procedure involves the Council facilitating the sale of a privately owned property to a third party. Hence there are no implications for the Council's Asset Management, as properties are not owned by the Council

CONSULTATION UNDERTAKEN/VIEWS

The Empty Homes Strategy was the subject of stakeholder consultations prior to its approval.

The property at 24 Lander Rd has been a priority issue and a topic of on-going consultation with local residents groups.

FD 359 - The Head of Corporate Finance & Information Services has been consulted and his comments have been incorporated into this report

CORPORATE OBJECTIVE MONITORING:

<u>Corporate Objective</u>		<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		✓	
2	Creating Safe Communities	✓		
3	Jobs and Prosperity		✓	
4	Improving Health and Well-Being			
5	Environmental Sustainability	✓		
6	Creating Inclusive Communities			
7	Improving the Quality of Council Services and Strengthening local Democracy		✓	
8	Children and Young People		✓	

LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT

Empty Property Strategy (Housing) approved by Cabinet on the 29th October 2009.

1. Background

- 1.1. Cabinet approved a new Empty Property (Housing) Strategy at its meeting of the 29th October 2009. The Strategy sets out a number of Enforcement Actions, which are available for the Council to utilise within existing legal powers. However, the report also noted that "...implementation (of the strategy) will require a number of procedures and new practices to be developed by officers."
- 1.2. Enforced Sales is a new practice for Sefton, though it has been used by a number of Councils across the country. It is a procedure primarily designed to enable Councils to recover outstanding debts, created by certain enforcement actions that result in land charges against a property. However, it also provides a method for getting long-term, problematic empty properties back into use.
- 1.3. Officers have produced a new Standard Operating Procedure, attached to this report, which provides a complete description of the process and roles involved. Given that this is a new procedure, officers have brought this to the attention of Cabinet for approval, and to avoid any future challenges from property owners on the basis that the Council has not fully considered and approved it's policy and procedures in respect of Enforced Sales.

2. Empty Property at 24 Lander Road, Litherland

- 2.1. This property has been vacant since about 1981. The property is not registered at the Land Registry, but local investigations have revealed the identity of the person believed to be the legal owner. A number of lines of investigation, over many years, have been pursued to try and trace the owner, including via known family members. However, all of these efforts have so far failed.
- 2.2. Over the long period that the property has been vacant, it has been subject to break-ins, vandalism, infestation, fly-tipping, all of which have had a detrimental affect on neighbours and the general neighbourhood. The Council has had to intervene to take various actions to control the negative impact of this property. This has resulted in numerous notices being served, and works in default undertaken.
- 2.3. A large number of local land charges are recorded against this property. In this instance those charges resulting from service of Statutory notice under Section 4 of the Prevention of Damages by Pests Act 1949, over the past 12 years will be recoverable. It should be noted that there are other land charges, which are either older than 12 years, or served under 'non-qualifying' legislation, which are not recoverable using this procedure. There are seven land charges which will be recoverable, the total value of which is £13,411.
- 2.4. Given the level of debt owed to the Council, our inability to trace the property owner, the length of time the property has been vacant and the condition of the property, Enforced Sale is considered to be the most appropriate course of action to take.
- 2.5. In this instance it is likely that a sale will be made to a partner HMR Neighbourhood RSL. A further, more detailed report will be submitted to Cabinet Member Regeneration on these arrangements. However, early feasibility has indicated that a Council grant towards the cost of refurbishment to bring the property back into use, might be required. External Housing Market Renewal Capital Funding could be made available to support the Council grant.

- 2.6. Should the enforced sale be completed to a partner RSL, they would be required to completely refurbish the property and bring it back into use as a social rented home, which would be made available to a Council waiting list nominee.

ENFORCED SALE

POLICY AND STANDARD OPERATING PROCEDURE

Introduction

Enforced sale is a procedure that is primarily designed to enable councils to recover outstanding debts, created by actions that result in a land charge against a property. However, it also provides a method for getting long term problematic properties back into use and has been adopted by a number of Councils across the country as an effective way of dealing with empty properties.

There are social and financial benefits from adopting the enforced sales procedure. By selling a property that is in a derelict condition to a new owner, there is a likelihood the new owner will refurbish the property and this increases the chances that it will become inhabited again. Financial charges, which could otherwise prove impossible to recover, can be discharged out of the proceeds of sale. It is also hoped that when empty property owners become aware of this initiative they may maintain their properties in a reasonable state and condition resulting in less time spent by the local authority in having to deal with this problem.

A cross departmental enforced sales working group will be created to finalise procedural arrangement details within the Enforced Sales Policy and Standard Operating Procedure. The group will also identify suitable property, take appropriate action and identify existing debts. The group will consist of Officers from Neighbourhoods and Investment Programmes, Planning, Building Control, Legal and Finance Departments.

Limitations of the Procedure

The issues surrounding the empty condition of a property vary so widely that no single measure offers a tailor made solution. Even where the following criteria can be met, it is necessary to consider how likely the Enforced Sales Procedure is to achieve the desired outcome and to ask whether other courses of action might be more suitable.

The Enforced Sales Procedure can be followed even where the owner cannot be traced and even where the property has changed hands – so long as the relevant debt remains.

The procedure may be used to recover debt arising from the exercise of any statutory powers that: -

- Confer a charge on all the estates and interests in the property
- Confer Law of Property rights (i.e. grant the powers and remedies available as if the charge had been created by deed).

Any such charge will bind any prior charges affecting the property, i.e. the council's charge will have a priority over other charges. However, covenants and easements over the property will not be so bound.

If the statutory powers under which the debt has arisen do not confer the above-mentioned rights, then it will be necessary to consider whether Section 7 of the Local Land Charges Act 1975 applies. If it does, then the procedure may still be used, but

only the estate of the offending party will be bound, not all the states and interests in the property. Other charges may therefore take priority over the council's charge.

Principally, the statutory powers that will enable the procedure to be used are: -

- Prevention of Damage by Pests Act 1949
- Housing Act 1985
- Building Act 1984
- Public Health Act 1936
- Public Health Act 1961
- Environmental Protection Act 1990

Actions in relation to the service of statutory notices under these provisions are most likely to have given rise to the relevant debt(s).

Additionally, the following criteria will be applied when considering whether to instigate the procedure: -

- The principle sum of the original work carried out in default must be at least £300. (This can be the total of a number of combined principle sums)
- **The statutory notices must have been served correctly.** Refer to the relevant statute for the requirements relating to service. All copy notices must have been stamped and signed by the serving officer. The procedure cannot be employed if the notices have not been served in this manner. (If the serving officer is still employed by the council, then it may be possible to ask them to rectify the notice).
- *The serving officer must complete a 'Record of Service of Notice' form on service of the statutory notice.*
- There should be no proposed CPO action within a 2-year period.
- The property must not be the subject of any bankruptcy action. (This would usually be noted on the title).

It should be noted that the right to enforce a sale in order to recover land charges is limited by section 20 of the Limitation Act to 12 years from *when the right to receive the money accrued*, **not** from when the demand was sent out. *However*, where the owner has attempted to repay and any amount has been received, the 12 year period starts afresh from that date.

Properties shown as Unregistered using the On-line Link to the Land Registry

The following key considerations arise in such cases: -

- Where the statutory charge does not bind all the estates and interests in the property, it would probably be inadvisable to proceed unless it is certain that there are no prior charges and that the statutory charge binds the freehold or a long lease.
- It will be necessary for the eventual purchaser of the property to apply for first registration of the title. Difficulties might arise in determining the extent of the land to be registered and in identifying the encumbrances affecting the property.

Consideration of the provisions of the Human Rights Act 1998 must be taken by the Council. In particular, Part 1, Article 8 “the right to respect for... private and family life..., home and... correspondence”, and Protocol 1, Article 1 “peaceful enjoyment of ... possessions”, need to be balanced against the general benefits and rights of neighbours and the surrounding community.

A statement that the intended action of the Council in exercising its power of sale is considered to be proportionate, in accordance with the Act, should be included in letters to the Owner and Charges. This will be covered by correspondence issued by Legal Services.

Pre-Action to ESP

Other, more appropriate, types of action, must always be a consideration prior to pursuing ESP. The use of ESP (as well as Compulsory Purchase) should be seen as a means of last resort and it is expected that all informal and formal action will have been taken and exhausted by the Council in order to recover debt and to resolve the existence of the empty property and its associated problems.

The first priority should is always to try and trace owners of empty property and to make contact with them. Every effort is made to try and engage with the owners and to offer them advice and assistance in getting their property back into use. Evidence has shown that early intervention offering support and guidance to property owners can prove very useful in preventing longer-term properties becoming more problematic. Indeed in most cases solutions reached through negotiation and agreement are preferable to enforcement related solutions that are, by their nature, more difficult, expensive and time consuming to undertake.

Neighbourhoods and Investment Department (NIPD)/ Case Officer Role

1. Identify potential properties for enforced sales
 - a. Proactive
 - b. Reactive

2. Is property suitable for enforced sales
 - a. Is the property empty
 - b. Is property registered at land registry
 - i. If not registered or to check for other interested parties carry out the following additional checks:
 - Council tax records
 - Sending or affixing a letter to the property concerned
 - Make enquiries with neighbours
 - Make enquiries with other departments who may have been involved with the property / historical information
 - Check electoral registered
 - c. Does property have financial local land charges registered against it (at least £1,000)

3. Compile a background file.
 - a. This needs to contain copies of:
 - i. All statutory notice served prior to the Council carrying out the necessary works in default together with the details as to how the notices were served
 - ii. The record of service of notice form
 - iii. The work instructions to the contractor for the work to be carried out
 - iv. All invoices from the contactors along with breakdown of labour and material charges
 - b. These documents are filed in reference number, together with an account summary sheet which shows what is in the file, the notice number and the amount of financial charge, excluding interest, in each case.
 - c. Also in the file are copies of any ownership details, local land charge details and any correspondence sent or received relevant to the property.

4. The Enforced Sales Group (NIPD, Finance, Legal Officers) should now agree whether or not to develop the process further.

5. Re-service of notices.
 - a. All the notices originally served and notices of demand for payment are re-served on the property (with covering letter - Appendix 1). This will ensure that an owner or interested party is made aware of the debt and also ensures that there is adequate evidence available. Notices will be served by the following methods:
 - i. One must be served on the listed owner or owners by first class post, or by hand, or by affixing it to the property and
 - ii. One must be posted to any other address(es) shown on the Land Registry and to any other interested party of which the Council is aware.

- iii. Copies must be stamped and signed by the serving officer.
 - iv. A 'Record of Service of Notice' form must be completed for each by the serving officer.
 - v. A photograph must be taken as evidence of any notices affixed to the property and weekly visits should be made in order to replace any notices that have been torn down.
 - b. Also at this point any notices needed to be served under section 81A Environmental Protection Act 1990 are served (see Appendix 2 for sample 81A).
- 6. Section 103 notice.
 - a. After a period of 28 days if no appeal (as to the Section 81A notice) or payment is made, a notice pursuant to Section 103 of the Law of Property Act 1925 is then served. This notice gives the owner three months to repay the debt.
 - b. The property cannot be sold until the Section 103 notice has expired, but during this time the procedure is progressed through the various stages as far as possible.
 - c. The Section 103 Notices are divided into 2 categories:
 - i. Where notices pursuant to Environmental Protection Act 1990 have been served (see Appendix 3).
 - ii. Where no notices pursuant to Environmental Protection Act 1990 have been served (see appendix 4).
 - d. When serving the notices, a photograph is taken of the property and copies of all the notices served and confirmation of the method of service are attached to the property file and onto the Flare database.
- 7. Authorisation
 - a. Following the expiry of the 3 month period a check needs to be made with the Debt Recovery Team to ascertain whether or not the debt has been paid.
 - b. If the debt has not been paid the officer must review the case with the Section Manager. The review should include consideration of whether the property should be sold to a preferred owner or whether it should be sold at auction.
 - c. If following this review, it is decided that the Enforced Sales Procedure should be followed to its conclusion, the Officer / Section Manager must prepare an authorisation form which, together with the background file, is passed to the Director of Neighbourhoods and Investment Programmes for authorisation under delegated powers (this authority is delegated to Cabinet Member Regeneration by resolution of the Council approval to this Procedure).
 - d. Authorisation and file returned to Case Officer.
- 6. The Solicitor / Debt Recovery Team is instructed
 - a. A copy of the authorisation and the file are then forwarded to the appropriate Debt Recovery Team / Legal Team.
 - b. The Legal team are responsible at this stage to send an instruction to the Debt Recovery Team to:

- i. Suspend all legal action regarding the debt
 - ii. Check the account numbers of the outstanding debts to make sure no payments have been received to date.
- c. Case Officers should continue to make on-going checks at weekly intervals in order to ensure no re-payment has been made.

Solicitors role when the property is registered at Land Registry

7. Check the charges
 - a. Upon receipt of the file from the NIPD Case Officer, go through the Works in Default file and make a list of all the charges. A check then needs to be carried out to find out which charges are still outstanding.
 - b. This is done as there are many ways debts can be paid and there is little point in undertaking work where a charge has been repaid.
 - c. Checks should also be made that the statutory notices have been correctly served.

8. Write to all interested parties
 - a. If charges are still outstanding a letter (see appendix 7) is sent to all persons on the register who have an interest in the property advising them of the position. This will include others who have a charge registered against the property.
 - b. The letter must be copied to the Case Officer for information, who must take a photograph of any notices affixed to the property and carry out weekly visits in order to replace any notices that may have been torn down.
 - c. This letter gives the owner and any other interested parties fair notice of the steps the Local Authority proposes to take. It is accepted that in most cases the whereabouts of the owner will be unknown. Even so a letter addressed to the property and any other address(es) is sent in an attempt to notify the owner. Every attempt is made to give such persons notice of the local Authorities proposals and ample opportunity to repay the debt.
 - d. A period of 21 / 28 days is allowed for the persons served to respond.

9. Registration of charge (this may alter depending on the reaction received from Land Reg – this procedure is one currently used by Manchester with the Lytham District Land Reg)
 - a. If there is no response to the letter and no debts have been repaid then a charge must now be registered with the Land Registry.
 - b. A resolution for the relevant charge(s) must be prepared and be sealed by the Council (see appendix 8). This must record:
 - i. The statutory provisions
 - ii. The service of the necessary notices
 - iii. What work was done and when
 - iv. The registration of the charge in the register of local land charges and claims priority over all estates and interests

- v. A certificate made by the council that it has all the necessary rights and powers to make the application for registration of the charges and that it has taken all appropriate steps in accordance with the relevant statute.
- c. An application (form AP1) (see Appendix 9 for sample copy) must be prepared for registration of the charge. The current registration fee is £40 per charge provided each charge does not exceed £100,000. (in practice it is only necessary to register a single charge and there may be benefit in so doing since there is a cost of £40 per charge registered. On the other hand, if the owner elects to repay the debt, then he is only bound to pay the charge that has been registered)
- d. Form SC (see appendix 10 for sample copy) must also be completed in order to claim priority in favour of the council's charge over any existing charge registered against the title.
- e. The completed application must be sent to Land Registry. This comprises of:
 - i. A covering letter (see appendix 11)
 - ii. The sealed and dated resolutions together with a certified copy of each resolution
 - iii. The land/charge certificate or copies of the correspondence requesting the same
 - iv. Completed form SC
- f. Confirmation of the application must be provided to the Housing Officer.

10. The charges are registered

- a. Notification of completion of the registration is received from Land Registry on completion of the registration – arrangements are then made for the sale of the property.
- b. At this point:
 - i. A check is made that the charges have not been paid
 - ii. The Case Officer must be informed of the registration and must be asked whether the property is to be sold at auction or to a preferred purchaser.
- c. Letters are then sent to the owners and interested parties advising them that the Council's charges are registered and it is the Council's intention to pursue a sale of the property (see appendix 12). This gives the owner and interested parties notice of the Council's intentions so that they cannot claim steps were not taken to notify them.
- d. The letter must be copied to the Case Officer for information and they must take a photograph as evidence of any notices affixed to the property and weekly visits should be made in order to replace any notices that have been torn down.

Solicitors role when the property is NOT registered at Land Registry

11. Check the charges

- a. Upon receipt of the file from the (NIPD) case officer, go through the Works in Default file and make a list of all the charges. A check then needs to be carried out to find out which charges are still outstanding.

- b. This is done as there are many ways debts can be paid and there is little point in undertaking work where a charge has been repaid.
- c. Checks should also be made that the statutory notices have been correctly served.

12. Check that the property is not registered

- a. A search of the index map must be undertaken at the Land Registry to ensure that the property is not registered. The search must also include the adjoining properties. This might reveal what incumbrances affect the property and also the extent/limits of the title of the property in question.
- b. The extent of the property bound by the charge and that can be sold is ascertained by applying the facts to each case, and the particular statutory provisions that have given rise to the Local Land Charge. The position is clear in the case of Charges which arise under the following legislation. Thus, enforced sales should be able to proceed in these cases:
 - i. Public Health Act 1936, Section 291
 - ii. Prevention of Damage by Pests Act 1949
 - iii. Building Act 1984, Section 107

13. Try to ascertain what incumbrances affect the property

- a. Using any information found during this investigation and any information available as to the name(s) of the owner, the purported owner or any other interested party, a Land Charges Act 1972 search must then be carried out against the name of any such person(s) and the property concerned. This may produce clues as to incumbrances affecting the property e.g. easements, covenants and charges.
 - i. Note: where the statutory charge binds all the estates and interests in the property, any registered charges will be of little significance, other than for the purpose of giving notice to any chargee as to the council's intentions. HOWEVER, where this is not the case, then it would probably be inadvisable to proceed unless it is certain that there are no prior charges and that the statutory charge binds the freehold or a long lease.
 - ii. As stated above, if any of the adjoining properties are registered, it may be possible to ascertain what incumbrances affect the same. This may give a purchaser some clues as to the matters affecting the property and make the property more marketable. The alternative is that no such steps are taken and the purchaser is made aware, via the contract terms, that such is the case. In both cases though, the contract for sale will need to contain special conditions covering the position.

14. Write to all interested parties

- a. If the searches provide any information as to the identity or whereabouts of the owner(s) or other interested parties, or such information is already available, a letter is now sent to all persons having an interest in the property in order to advise them of the position see appendixes 6 & 7). This will include others who have a charge registered against the property. The owners copy must be:

- i. Delivered to the Owner or Owners by post, or by hand or should be affixed to the property and
 - ii. Must be posted to any other address(es) shown on the Land Registry.
 - b. The letter must be copied to the Case Officer for information, who must take a photograph of any notices affixed to the property and carry out weekly visits in order to replace any notices that may have been torn down.
- 15. Enquiries are completed
 - a. If either:
 - i. No information is found as to the identity or whereabouts of the owner(s) or other interested parties or
 - ii. There is not reply within 21 days to the letter above

The property is put forward for sale. The contract for sale will need to contain special conditions.

Selling the empty property – Valuation/Property Services

- 16. Methods of selling the empty property
 - a. Once the Director of Neighbourhoods and Investment Programmes has been advised that the charges have been registered against the title and/or that the property can be put forward for sale, the Director considers how the sale is to be effected and instructs the relevant Head of Valuations and Property Services accordingly. Other than where there is particular justification, sale at auction will be the preferred option.
 - b. If choosing sale by private treaty to a preferred purchaser then commission two independent valuations of the property and have the Council's surveyor to vet the valuations to determine the sale price. Sales to a preferred purchaser should require approval to be obtained from the appropriate Cabinet Member.
 - c. Whatever the method of sale a valuation is undertaken by the local authority's surveyor.
- 17. Contract
 - a. For a registered property the contract for sale will be the same as any contract for sale by a mortgagee.
 - b. In the case of an unregistered property there will probably be no deeds or details of any incumbrances affecting the property and the contract for sale need to reflect this.
 - i. In such cases the form of the resolution prepared in respect or registered land is incorporated into the contract as a recital (see eg in appendix 13 for form of suggested special conditions of sale).
 - ii. On completion of the sale the Land Registry require the Council to provide a letter containing a certification by the Council that it has all the necessary rights and powers to dispose of the property and that it has taken all appropriate steps in accordance with the relevant statute (appendix 14).

- iii. It will be necessary to make the purchaser's solicitor aware that the letter must be submitted with their client's application for first registration.
- iv. As far as the incumbrances are concerned, the Land Registry will probably make a 'protective entry' on the register to the effect that the property is subject to such incumbrances as affect the same at the date of the registration, no details having been provided on first registration.

18. Title

- a. Where the title deeds have not been recovered the following should be borne in mind:
 - i. Registered titles: copies can be obtained of the documents referred to on the title from the Land Registry. Where they are not available, include an appropriate clause in the contract to cover the position.
 - ii. Unregistered titles: There will probably be no deeds or details of the incumbrances affecting the property.

19. Check charges

- a. Immediately prior to auction/exchange of contracts a further check is made to ascertain whether the charges have been repaid.

20. Post sale

- a. The post sale procedure is to be generally the same as that for a normal sale.
- b. The following deductions will be made from the proceeds of the sale:
 - i. Any auctioneer's fee
 - ii. The legal fee
 - iii. The surveyor's fee
 - iv. NIP Departments administration fee
 - v. The outstanding chargesThese sums will be processed in the same manner as for a normal sale.
- c. If the debts are greater than the proceeds of sale, consider whether the fees are to have first call on the proceeds or not. The auctioneer's fees will have to be paid in any event and the other fees should also have first call on the proceeds. Any remaining debt is taken of the property and placed against the former owner as a personal debt, to be pursued in the normal manner if economically viable.
- d. If any balance remains from the proceeds of the sale and the whereabouts of the owner/the person first entitled is known, then the balance is paid in the normal way.
- e. If, as is most likely, the owner's whereabouts are not known, then the balance must be paid into an interest bearing account. If no claim is then made within a period of 12 years, the money reverts to the Council.

**Neighbourhoods and
Investment Programmes
Department**

Magdalen House
30 Trinity Road
Bootle
Merseyside L20 3NJ

Date:
Our Ref:
Your Ref:

Please contact:
Contact Number: 0151 934 4712
Fax No: 0151 394 4276
e-mail:

Dear,

Property Address:
Subject:

I am writing to as our records show/suggest that you have an interest in the above vacant property.

On the dates shown below notices were served upon you requiring you to undertake work in order to remedy unsatisfactory circumstances. Because you did not comply with the Notice, the Council arranged for the work to be carried out in default once it had expired. The cost of the work totals £--- excluding interest. This is now a debt which you owe the City Council and one which comprises a local land charge attached to the property.

Date of Notice	Legislation	Date of Work	Amount

Please note that, should you fail to settle these outstanding debts, or contact the Council within 28 days to discuss this matter, the Council may serve on you a Notice under Section 103 (1) of the Law of Property Act 1925 which would advise you of its intention to sell the above property or some part of such property.

Please also note that the Council will exercise its right to charge interest at a rate of not more than 2% above the current Bank of England base rate, on any sums that are owed to it. For any works where a Section 81a Notice applies, interest will run from the date of service of such Notice; in all other cases, interest will run from the date of service of the aforementioned Section 103 (1) Notice should it be necessary to serve such Notice.



**Minicom: 0151 934
4657**



INVESTOR IN PEOPLE

Please be advised that you should contact the Officer named at the top of this letter, as my Finance Department will not take payment without my authorisation from that named officer.

This letter has been sent to all those who have, or appear to have, an interest in the above property.

Yours faithfully,

METROPOLITAN BOROUGH OF SEFTON**ENVIRONMENTAL PROTECTION ACT 1990, SECTION 81A**

To: «nadname»
«nadaddr2»
«nadaddr3»
«nadaddr5»

On (date) the Council served on you a Notice under Section 80 of the Environmental Protection Act 1990 ('the Act') requiring the execution of certain works and the taking of such other steps in relation to the above property to abate the nuisance or prohibit or restrict its occurrence or recurrence arising from the defective state of such property.

You failed to comply with such Notice and the Council, in default, carried out such works and took such steps as aforesaid at a total cost to the Council of (£). This is the sum recoverable by the Council pursuant to Section 81(4) of the Act in respect of the above Notice and this Notice is given pursuant to Section 81A of the Act.

I am required by Subsection 81A(2) of the Act to advise you that, pursuant to Subsection 81A(1) thereof, where any expenses are recoverable under Section 81(4) of the Act from a person who is the owner of the premises there mentioned and the local authority serves a Notice on him under Section 81A of the Act (pursuant to which this Notice is given):

- (a) the expenses shall carry interest, at such reasonable rate as the local authority may determine, from the date of service of the Notice until the whole amount is paid, and
- (b) subject to the provision of Section 81A of the Act, the expenses and accrued interest shall be a charge on the premises.

The rate of interest payable is determined by the Council as referred to in (a) above and varies from time to time.

I am further required to advise you of the provisions of Subsections 81A(4) to (6) of the Act which are as follows:

- (4) Subject to any Order under Subsection (7)(b) or (c) below, the amount of any expenses specified in a Notice under this Section and the accrued interest shall be a charge on the premises:
 - (a) as from the end of the period of 21 days beginning with the date of service of the Notice, or
 - (b) where an appeal is brought under Subsection (6) below, as from the final determination of the appeal, until the expenses and interest are recovered.
- (5) for the purposes of Subsection (4) above, the withdrawal of an appeal has the same effect as a final determination of the appeal.
- (6) a person served with a Notice of copy of a Notice under this Section may appeal against the Notice to the County Court within a period of 21 days beginning with the date of service.

If you are in any doubt as to the effect of this Notice, you should take legal advice.

Dated _____ Signed _____

Environmental Health Officer

Environmental Protection Department

«offadd1»
«offadd2»
«offadd3»
«offadd5»

SEFTON METROPOLITAN BOROUGH COUNCIL

NOTICE UNDER SECTION 103 (1) OF THE LAW OF PROPERTY ACT 1925/ LETTER BEFORE ACTION (WHERE ENVIRONMENTAL PROTECTION ACT APPLIES) RELATING TO:

On the _____, the Council served on you Notice under Section 80 of the Environmental Protection Act 1990 ("the Act") requiring you to carry out certain works to the above property. You failed to comply with such Notice and the Council, in default, carried out such works at a total cost to the Council of £ _____.

This is now a debt that is due to Sefton Metropolitan Borough Council as well as a Local Land Charge attaching to the above property. Also, interest is now accruing on such amount at the current statutory rate.

On the date the Council gave you Notice under Section 81A of the Act and the period of 21 days referred to in Subsections 81A (4) (a) and (6) having elapsed and no appeal against that Notice having been made pursuant to the said Subsection 81A (6) then by virtue of the provisions of Subsection 81A (4) of the Act:

1. The expenses incurred by the Council as referred to above and the accrued interest have become a charge on the above property and
2. The Council has for the purpose of enforcing the said charge by virtue of Subsection 81A (8) of the Act all the same powers and remedies under the Law of Property Act 1925, and otherwise, as if it were a mortgagee by deed having powers of sale and lease, of accepting surrenders of leases and of appointing a receiver.

The Council now requires you to pay to it immediately the above amount with the interest owing in respect of it on the date of payment. If you do not pay the amounts due, the Council, without further Notice, can:

- (1) If the debt is not paid within 28 days from the service of this Notice commence proceedings in the County Court for the recovery of the debt or
- (2) If the debt is not paid within three months from the date of service of this Notice sell the above property or some part of such property.

Please note that the Council is legally obliged to give you Notice pursuant to Section 103 (1) of the Law of Property Act 1925 if it chooses the option in point (2) above and this letter constitutes such a Notice.

I would remind you that once again you are required to settle the amounts due to the Local Authority and it is important that you contact me within 28 days to advise me how you intend to proceed.

Please note that you must only attempt to settle this matter after contacting me, as my Finance Department will not take payment without my authorisation and you may incur extra charges through the delay.

If you are in doubt as to the effect of this Notice you should take legal advice.

SEFTON METROPOLITAN BOROUGH COUNCIL

NOTICE UNDER SECTION 103 (1) OF THE LAW OF PROPERTY ACT 1925/ LETTER BEFORE ACTION (WHERE ENVIRONMENTAL PROTECTION ACT DOES NOT APPLY) RELATING TO:

On the _____, the Council served on you Notice under the provision of [] requiring you to carry out certain works to the above property. You failed to comply with such Notice and the Council, in default, carried out such works at a total cost to the Council of £ _____.

On the _____, the Council served on you Notice under the provision of [] as above requiring you to carry out certain works to the above property. You failed to comply with such Notice and the Council, in default, carried out such works at a total cost to the Council of £ _____.

On the _____, the Council served on you Notice under the provision of [] as above requiring you to carry out certain works to the above property. You failed to comply with such Notice and the Council, in default, carried out such works at a total cost to the Council of £ _____.

On the _____, the Council served on you Notice under the provision of [] as above requiring you to carry out certain works to the above property. You failed to comply with such Notice and the Council, in default, carried out such works at a total cost to the Council of £ _____.

On the _____, the Council served on you Notice under the provision of [] as above requiring you to carry out certain works to the above property. You failed to comply with such Notice and the Council, in default, carried out such works at a total cost to the Council of £ _____.

These are now debts that are due to Sefton Metropolitan Borough Council as well as Local Land Charges attaching to the above property. Also, interest is now accruing on such amount at the current statutory rate.

By virtue of the above statute(s), the debts due to the Council have, from the date of completion of the said works, taken effect, until recovered, as charges on the above property and the Council has all the same powers and remedies under the Law of Property Act 1925 and otherwise, as if it was a mortgagee by deed having powers of sale and lease, of accepting surrenders of leases and of appointing a receiver.

The Council now requires you to pay to it immediately the above amount with the interest owing in respect of it on the date of payment. If you do not pay the amounts due, the Council, without further Notice, can:

- (3) If the debt is not paid within 28 days from the service of this Notice commence proceedings in the County Court for the recovery of the debt or
- (4) If the debt is not paid within three months from the date of service of this Notice sell the above property or some part of such property.

Please note that the Council is legally obliged to give you Notice pursuant to Section 103 (1) of the Law of Property Act 1925 if it chooses the option in point (2) above and this letter constitutes such a Notice.

I would remind you that once again you are required to settle the amounts due to the Local Authority and it is important that you contact me within 28 days to advise me how you intend to proceed.

Please note that you must only attempt to settle this matter after contacting me, as my Finance Department will not take payment without my authorisation and you may incur extra charges through the delay.

If you are in doubt as to the effect of this Notice you should take legal advice.

BUILDING ACT 1984

Property Address:

Sefton Metropolitan Borough

1. **WHEREAS** Sefton Metropolitan Borough Council ('the Council') is a 'local authority' within the meaning of S.126 of the Building Act 1984 ('the Act').
2. **AND WHEREAS** a local authority, if it considers that any premises are in such a state as to be prejudicial to health or a nuisance, and unreasonable delay in remedying that defective state would be occasioned by following the procedure prescribed by S.80 of the Environmental Protection Act 1980 may, under S.76 of the Act, serve notice on the owner or occupier of those premises stating that the local authority intend to remedy the defective state and may do so, subject to there being no counter-notice served by the owner or occupier.
3. **AND WHEREAS** a notice under Section 76 of the Act is to be served in accordance with Section 94 of the Act.
4. **AND WHEREAS** the expense of such works may, by virtue of Subsection (12) of S.76 of the Act, be recovered from the owner or occupier of the premises and such expense plus interest thereon, by virtue of S.107 of the Act, from the date of completion of the works shall, until recovered, be a charge upon the premises and all estates and interests in them and gives a local authority, for the purposes of enforcing such a charge, all the powers and remedies under the law of Property Act 1925 and otherwise as if they were mortgagees by deed.
5. **AND WHEREAS** such charge is, by virtue of S.1(1)(a) of the Local Land Charges Act 1975, registerable as a local land charge.
6. **AND WHEREAS** under S.7 of the Local Land Charges Act 1975 a local land charge falling within the aforementioned S.1(1)(a) takes effect as if it had been created by deed of charge by way of legal mortgage within the meaning of the Law of Property Act 1925, but without prejudice to the priority of the charge.
7. **AND WHEREAS S.101** of the Law of Property Act 1925 provides that a mortgagee by deed shall have inter alia the power of sale of the property so mortgaged.
8. **AND WHEREAS** pursuant to a notice dated [] the Council gave notice to the owner or owners of the property known as [] ('the Premises') under Section 76 of the Act by serving the notice in accordance with Section 94 of the Act by

ALTERNATIVE 1 addressing the notice to [] and delivering it to that person **and/or**

ALTERNATIVE 2 addressing the notice to [] and leaving it or sending it in a prepaid letter addressed to that person at [] being the usual or last known residence of that person **and/or**

ALTERNATIVE 3 addressing the notice to the Secretary of Clerk of [Limited] at [] being the registered or principal office of [

Limited] and delivering it or sending it in a prepaid letter to that address **and/or**

ALTERNATIVE 4 (it not being practicable after reasonable inquiry having been made to ascertain the name and address of the person to or on whom the notice should be given or served) addressing the notice to the owner or owners of the Premises (naming the Premises) and either delivering it to some person on the Premises or (there being no person on the Premises to whom it can be delivered) affixing the notice or a copy of it to some conspicuous part of the Premises.

ALTERNATIVE 5 (the premises at the date such notice is given or served being unoccupied) addressing the notice to the owner or owners of the Premises (naming the premises) and affixing the notice or a copy of it to some conspicuous part of the premises stating that the Council intended to remedy the defective state of the Premises after the expiration of [] days from the date of service of the notice by carrying out the following works:[]

9. AND WHEREAS there being no counter-notice served upon the Council within the period prescribed by S.76 (3) of the Act, the Council executed the said works between the [date] and the [date] at a cost of the Council of £

10. AND WHEREAS on the [date] the Council registered the cost of the works in Part II of the Sefton Borough Local Land Charges Register as a specific financial charge against the Premises such charge attracting interest at such a rate from time to time applying.

11. AND WHEREAS pursuant to a notice dated [] the Council gave notice to the owner or owners of the property known as [] ('the premises') under Section 76 of the Act by serving the notice in accordance with Section 94 of the Act by

ALTERNATIVE 1 Addressing the notice to [] and delivering it to that person **and/or**

ALTERNATIVE 2 addressing the notice to [] and leaving it or sending it in a prepaid letter addressed to that person at [] being the usual or last known residence of that person **and/or**

ALTERNATIVE 3 addressing the notice to the Secretary of Clerk of [Limited] at [] being the registered or principal office of [Limited] and delivering it or sending it in a prepaid letter to that address **and/or**

ALTERNATIVE 4 (it not being practicable after reasonable inquiry having been made to ascertain the name and address of the person to or on whom the notice should be given or served) addressing the notice to the owner or owners of the Premises (naming the Premises) and either delivering it to some person on the Premises or (there being no person on the Premises to whom it can be delivered) affixing the notice or a copy of it to some conspicuous part of the premises.

ALTERNATIVE 5 (the premises at the date such notice is given or served being unoccupied) addressing the notice to the owner or owners of the Premises (naming the Premises) and affixing the notice or a copy of it to some conspicuous part of the Premises stating that the Council intended to remedy the defective state of the Premises after the expiration of [9] days from the date of service of the notice by carrying out the following works:

12. AND WHEREAS there being no counter-notice served upon the Council within the period prescribed by S.76(3) of the Act, the Council executed the said works between the [date] and the [date] at a cost to the Council of [£].

13. AND WHEREAS on the [date] the Council registered the cost of the works in Part II of Sefton Borough Local Land Charges Register as a specific financial charge against the Premises such charge attracting interest at such a rate from time to time applying.

14. AND WHEREAS the said monies continue to remain outstanding.

THE COUNCIL SEFTON METROPOLITAN BOROUGH COUNCIL being now desirous of exercising their aforementioned power of sale over the premises to recover the costs they have incurred in relation thereto,

1. HEREBY RESOLVES

- 1 (i) to make application to the District Land Registry for Lancashire and Merseyside under the Land Registration Act 1925 to register their charge against all titles subsisting in the Premises.
- 1 (ii) to claim affirm and avow in said application the binding nature of the Council's charge on all estates and interests in the Premises and the priority of the Council's charge over all existing and future charges affecting each and every title in the Premises (whether or not they be registered) such claims affirmations and avowals being supported by the decisions in Bristol Corporation –v- Virgin [1928] 2.K.B.622 and Paddington Borough Council –v- Finucane [1928] Ch567.
1. (iii) to affix the Council seal hereto.

2. HEREBY CERTIFIES to HM Land Registry

- 2 (i) as recited in paragraph 4 of this resolution the Act contains provisions conferring a charge on the Premises and on all estates and interests therein.
- 2 (ii) as further recited in paragraph 4 of this resolution the Act confers on the Council all the powers and remedies under the Law of Property Act 1925 and otherwise as if it is a mortgage by deed.
- 2 (iii) the Council has followed the procedure in the Act as to service of notices and the carrying out of the works.
- 2 (iv) the charge(s) for which an application for registration is made pursuant to 1 (i) above affects (s) the whole of the property known as { } and registered under title number(s) []
- 2 (v) as recited in paragraph(s) 10 and 13 of this resolution the charge (s) for which an application for registration is made pursuant to 1 (i) hereof was/were registered in

Part 2 of the City of Manchester Register of Local Land Charges on the [] and the []

DATED this day of 20

THE COMMON SEAL OF SEFTON METROPOLITAN BOROUGH COUNCIL was hereunto affixed in pursuance of an Order of the Council of the said borough

Neighbourhoods and Investment Programmes Department

Magdalen House
30 Trinity Road
Bootle
Merseyside L20 3NJ

Date:
Our Ref:
Your Ref:

Please contact:
Contact Number: 0151 934 4712
Fax No: 0151 394 4276
e-mail:

Dear,

Re:
Address:

The Council has, pursuant to its statutory powers, carried out certain works to the above premises, the cost of which have been registered in Part 2 of the Register of Local Land Charges as financial charges. Notice(s) detailing the works and the costs have been served, together with Notices(s) of demand for payment of the amount(s) due to the Council in order to satisfy the requirements of Section 103(1) of the Law of Property Act 1925.

The Statutes pursuant to which the Council has carried out such works confer, in favour of the Council, a charge on the premises and all estates and interests therein and the Council has, for the purposes of enforcing the charge all the same powers and remedies under the Law of Property Act 1925, and otherwise as if it were a mortgagee by deed having powers of sale, of lease, of accepting surrenders of leases and of appointing a receiver.

The Council proposes, pursuant to its statutory powers, to register the said financial charges against the title to the above premises. Once the charge(s) have been registered, the Council may then sell the premises and apply the proceeds of sale towards the discharge of the debt. If, however, the debt is greater than the proceeds of sale received on any sale, the Council has the right to pursue you for any balance owing, if necessary by legal action.

I should therefore be grateful if you would make arrangements through me for the discharge of the outstanding debt or, if you are not prepared to do this, then please forward to me all the title deeds in your possession relating to the above property. If they are not in your possession, please let me know and advise me of the whereabouts of the deeds.



Minicom: 0151 934 4657



INVESTOR IN PEOPLE

Please note, if I hear nothing from you within 21 days from the date hereof, I will proceed to register the Council's charges against your title to the above premises.

If you wish to discuss this matter, please do not hesitate to contact me on the above details.

Yours faithfully,

Neighbourhoods and Investment Programmes Department

Magdalen House
30 Trinity Road
Bootle
Merseyside L20 3NJ

Date:
Our Ref:
Your Ref:

Please contact:
Contact Number: 0151 934 4712
Fax No: 0151 394 4276
e-mail:

Dear,

Address:
Your Charge Dated:

I am aware from the contents of the registers of title number [], which relates to the above property, that you have a charge registered against the same. That charge is dated [] and the owner of the property is shown to be [].

The Council has, pursuant to its statutory powers, carried out certain works to the above property, the costs of which have been registered in Part 2 of the Register of Local Land Charges as financial charges.

The Statutes pursuant to which the Council has carried out such works confer, in favour of the Council, a charge on the premises and all estates and interests therein and the Council has, for the purposes of enforcing the charge all the same powers and remedies under the Law of Property Act 1925, and otherwise as if it were a mortgagee by deed having powers of sale, of lease, of accepting surrenders of leases and of appointing a receiver. The said statutes confer a priority on the Council's charge over your own charge and. Therefore, when registered, the Council will be the first chargee.

The Council proposes, pursuant to its statutory powers, to register the financial charges against the title to the above premises. Thereafter the Council may exercise its power of sale over the property and apply the proceeds of sale towards the discharge of the debt due to the Council.

If you wish to repay the outstanding debt due to the Council, I will provide details of the outstanding amounts. Otherwise, I should be grateful if you would forward to me all the title deeds and documents in your possession relating to the property.

If you do not have the deeds and documents in you possession, please let me know. I should be grateful if you were then able to let me know their whereabouts.



Minicom: 0151 934 4657

Bill Milburn,
Environmental Protection Director
The Environmental Protection Department is part of the Regeneration
Directorate



If you wish to discuss this matter, please do not hesitate to contact me on the above details.

Yours faithfully,

Example of resolution – Section 76, Building Act 1984

PROPERTY:

BUILDING ACT 1984

SEFTON METROPOLITAN BOROUGH COUNCIL

1. Whereas Sefton Metropolitan Borough Council ('the Council') is a 'local authority' within the meaning of Section 126 of the Building Act 1984 ('the Act').
2. And whereas a local authority, if it considers that any premises are in such a state as to be prejudicial to health or a nuisance, and unreasonable delay in remedying that defective state would be occasioned by following the procedure prescribed by Section 80 of the Environmental Protection Act 1990 may, under Section 76 of the Act, serve Notice on the owner or occupier of those premises stating that the local authority intend to remedy the defective state and may do so, subject to there being no counter-notice served by the owner or occupier.
3. And whereas a notice under Section 76 of the Act is to be served in accordance with Section 94 of the Act.
4. And whereas the expense of such works may, by virtue of Subsection (2) of Section 76 of the Act, be recovered from the owner or occupier of the premises and such expense plus interest thereon, by virtue of Section 107 of the Act, from the date of completion of the works shall, until recovered, be a charge upon the premises and all estates and interests in them and gives a local authority for the purposes of enforcing such a charge, all the powers and remedies under the Law of Property Act 1925 and otherwise as if they were mortgagees by deed.
5. And whereas such charge is by virtue of Section 1(1)(a) of the Local Land Charges Act 1975, registerable as a Local Land Charge.
6. And whereas, under Section 7 of the Local Land Charges Act 1975, a local land charge falling within the aforementioned Section 1(1)(a) takes effect as if it had been created by deed of charge, by way of legal mortgage within the meaning of the Law of Property Act 1925, but without prejudice to the priority of the charge.
7. And whereas Section 101 of the Law of Property Act 1925 provides that a mortgagee by deed shall have inter alia the power of sale of the property so mortgaged.
8. And whereas pursuant to a notice dated [] the Council gave Notice to the owner or owners of the property known as [] ('the premises') under Section 76 of the Act by serving the Notice in accordance with Section 94 of the Act by -

ALTERNATIVE 1 addressing the Notice to [] and delivering it to that person **and/or**

ALTERNATIVE 2 addressing the Notice to [] and leaving it or sending it in a pre-paid letter addressed to that person at [] being the usual or last known residence of that person **and/or**

ALTERNATIVE 3 addressing the Notice to the Secretary or Clerk of [] Limited] at [], being the registered or principal office of [] Limited] and delivering it or sending it in a pre-paid letter to that address **and/or**

ALTERNATIVE 4 (it not being practicable, after reasonable inquiry having been made, to ascertain the name and address of the person to or on whom the Notice should be given or served) addressing the Notice to the owner or owners of the premises (naming the premises) and either delivering it to some person on the premises or (there being no person on the premises to whom it can be delivered) affixing the Notice or a copy of it to some conspicuous part of the premises.

ALTERNATIVE 5 (the premises at the date such Notice is given or served being unoccupied) addressing the Notice to the owner or owners of the premises (naming the premises) and affixing the Notice or a copy of it to some conspicuous part of the premises stating that the Council intended to remedy the defective state of the premises after the expiration of [] days from the date of service of the Notice by carrying out the following works: [].

9. And whereas there being no counter-notice served upon the Council within the period prescribed by Section 76(3) of the Act, the Council executed the said works between the [date] and the [date] at a cost to the Council of £[].
10. And whereas on the [date] the Council registered the cost of the works in Part 11 of Sefton Council's Local Land Charges Register as a specific financial charge against the premises, such charge attracting interest at such a rate from time to time applying.
11. And whereas pursuant to a Notice dated [] the Council gave Notice to the owner or owners of the property known as [] ('the premises') under Section 76 of the Act by serving the Notice in accordance with Section 94 of the Act by

ALTERNATIVE 1 Addressing the Notice to [] and delivering it to that person **and/or**

ALTERNATIVE 2 Addressing the Notice to [] and leaving it or sending it in a pre-paid letter addressed to that person at [] being the usual or last known residence of that person **and/or**

ALTERNATIVE 3 addressing the Notice to the Secretary or Clerk of [] Limited] at [], being the registered or principal office of [] Limited] and delivering it or sending it in a pre-paid letter to that address **and/or**

ALTERNATIVE 4 (it not being practicable, after reasonable inquiry having been made, to ascertain the name and address of the person to or on whom the Notice should be given or served) addressing the Notice to the owner or owners of the premises (naming the premises) and either delivering it to some person on the premises or (there being no person on the premises to whom it can be delivered) affixing the Notice or a copy of it to some conspicuous part of the premises.

ALTERNATIVE 5 (the premises at the date such Notice is given or served being unoccupied) addressing the Notice to the owner or owners of the premises (naming the premises) and affixing the Notice or a copy of it to some conspicuous part of the

premises stating that the Council intended to remedy the defective state of the premises after the expiration of [] days from the date of service of the Notice by carrying out the following works: [].

12. And whereas there being no counter-notice served upon the Council within the period prescribed by Section 76(3) of the Act, the Council executed the said works between the [date] and the [date] at a cost to the Council of £.
13. And whereas on the [date] the Council registered the cost of the works in Part 11 of Sefton Council's Local Land Charges Register as a specific financial charge against the premises, such charge attracting interest at such a rate from time to time applying.
14. And whereas the said monies continue to remain outstanding.

METROPOLITAN BOROUGH OF SEFTON being now desirous of exercising their aforementioned power of sale over the premises to recover the costs they have incurred in relation thereto,

HEREBY RESOLVES

- 1(i) To make application to the District Land Registry for Lancashire and Greater Manchester under the Land Registration Act 1925 to register their charge against all titles subsisting in the premises
- 1(ii) To claim, affirm and avow in said application the binding nature of the Council's charge on all estates and interests in the premises and the priority of the Council's charge over all existing and future charges affecting each and every title in the premises (whether or not they be registered), such claims, affirmations and avowels being supported by the decisions in Bristol Corporation-v-Virgin [1928] 2.K.B.622 and Paddington Borough Council-v-Finucane [1928] Ch567.
- 1(iii) To affix the Council seal hereto.

HEREBY CERTIFIES TO HM LAND REGISTRY

- 2(i) As recited in paragraph 4 of this resolution, the Act contains provisions conferring a charge on the premises and on all estates and interests therein.
- 2(ii) As further recited in paragraph 4 of this resolution, the Act confers on the Council all the powers and remedies under the Law of Property Act 1925 and otherwise as if it is a mortgage by deed.
- 2(iii) The Council has followed the procedure in the Act as to service of Notices and the carrying out of the works.
- 2(iv) The charge(s) for which an application for registration is made pursuant to 1(i) above affect(s) the whole of the property known as [] and registered under title number(s) [].

2(v) As recited in paragraphs 10 and 13 of this resolution, the charge(s) for which an application for registration is made pursuant to 1(i) hereof was/were registered in Part 2 of the Sefton Council Register of Local Land Charges on the [] and the []

Dated :

The COMMON SEAL of the
Metropolitan Borough of Sefton
was hereunto affixed in
pursuance of an Order of
the Council of the said Borough

Authorised Signatory:

*****OBTAIN FROM LAND REGISTRY*****
**Sample Application for Registration
 (Form AP1)**
 *****OBTAIN FROM LAND REGISTRY*****

AP1

Application to
change the register

HM Land Registry

If you need more room than is provided for in a panel, use continuation sheet CS and staple to this form.

1. Administrative area(s) and postcode (if known) INSERT RELEVANT DETAILS																			
2. Title Number(s) INSERT ALL TITLE NUMBERS RELEVANT	Deposit No. (if any)																		
3. Application, Priority and Fees in priority order Nature of applications	FOR OFFICIAL USE ONLY Record of fees paid																		
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;"></td> <td style="text-align: right;">Value £</td> </tr> <tr> <td></td> <td style="text-align: right;">Not exceeding £100,000</td> </tr> <tr> <td>1. Registration of charge</td> <td style="text-align: right;">Fees paid</td> </tr> <tr> <td>2.</td> <td style="text-align: right;">£40</td> </tr> <tr> <td>3.</td> <td></td> </tr> <tr> <td>4.</td> <td></td> </tr> <tr> <td>5.</td> <td></td> </tr> <tr> <td>6.</td> <td></td> </tr> <tr> <td colspan="2" style="text-align: right;">TOTAL £40</td> </tr> </table> <p style="font-size: small; margin-top: 5px;"><i>Accompanying cheques or postal orders should be made payable to 'HM Land Registry'</i></p>		Value £		Not exceeding £100,000	1. Registration of charge	Fees paid	2.	£40	3.		4.		5.		6.		TOTAL £40		Particulars of under/over payments
	Value £																		
	Not exceeding £100,000																		
1. Registration of charge	Fees paid																		
2.	£40																		
3.																			
4.																			
5.																			
6.																			
TOTAL £40																			
4. Documents lodged with this form <table style="width: 100%; border-collapse: collapse;"> <tr> <td>1. Sealed Resolution(s)</td> <td>2. Cert. Copy Sealed Resolution(s)</td> <td>3.</td> </tr> <tr> <td>4.</td> <td>5.</td> <td>6.</td> </tr> <tr> <td>7.</td> <td>8.</td> <td>9.</td> </tr> <tr> <td>10.</td> <td>11.</td> <td>12.</td> </tr> <tr> <td>13.</td> <td>14.</td> <td>15.</td> </tr> </table>		1. Sealed Resolution(s)	2. Cert. Copy Sealed Resolution(s)	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.	13.	14.	15.			
1. Sealed Resolution(s)	2. Cert. Copy Sealed Resolution(s)	3.																	
4.	5.	6.																	
7.	8.	9.																	
10.	11.	12.																	
13.	14.	15.																	
5. Application lodged by Land Registry Key No. COMPLETE REMAINDER OF FORM AS APPROPRIATE Name Address/DX No Referee	FOR OFFICIAL USE ONLY Codes Dealing Status																		
Telephone No.	Fax No.																		
6. Where the Registry is to deal with someone else <p style="font-size: x-small; margin-top: 5px;"><i>The Registry will send any land/charge certificate to the person named in panel 5 above and will, if necessary, contact that Person. You can change this by placing 'X' against one or more of the statements and completing the details below.</i></p> <p> <input type="checkbox"/> Please send any land/charge certificate to the person shown below <input type="checkbox"/> Please raise any requisitions or queries with the person shown below <input type="checkbox"/> Please issue to the person shown below the following documents </p> <p style="font-size: x-small; margin-top: 5px;"><i>If you have placed 'X' against any statements above, complete the following name and address details</i></p> <p>Name: Address/DX No.</p>																			
Reference	Telephone No.																		

*****OBTAIN FROM LAND REGISTRY*****
**Sample Application for Registration
 (Form SC)**
 *****OBTAIN FROM LAND REGISTRY*****

Application for noting the
**overriding priority of a
 statutory charge**

Land Registry

SC

*If this application is accompanied by either Form AP1 or FR!, you need not complete panels 6, 7 or 8.
 If you need more room than is provided for in a panel, use continuation sheet CS and attach to this form*

1. Administrative area and postcode if known											
2. Title number(s)											
3. If you already made this application by outline application , insert reference number:											
4. Property											
5. Application and fee <i>A fee calculator for all types of applications can be found on Land Registry's website at www.landregistry.gov.uk/fees</i> <table style="width: 100%; border: none;"> <tr> <td style="width: 60%;">Noting of priority of statutory charge</td> <td style="width: 40%; text-align: right;">Fee paid £</td> </tr> <tr> <td colspan="2">Fee payment method: <i>Place 'X' in the appropriate box.</i> I wish to pay the appropriate fee payable under the current Land Registration Fee Order:</td> </tr> <tr> <td><input type="checkbox"/> By cheque or postal order, amount £</td> <td style="text-align: right;">made</td> </tr> <tr> <td colspan="2" style="padding-left: 20px;">payable to 'Land Registry'</td> </tr> <tr> <td colspan="2"><input type="checkbox"/> By Direct Debit under an authorised agreement with Land Registry</td> </tr> </table>	Noting of priority of statutory charge	Fee paid £	Fee payment method: <i>Place 'X' in the appropriate box.</i> I wish to pay the appropriate fee payable under the current Land Registration Fee Order:		<input type="checkbox"/> By cheque or postal order, amount £	made	payable to 'Land Registry'		<input type="checkbox"/> By Direct Debit under an authorised agreement with Land Registry		FOR OFFICIAL USE ONLY Record of fee Paid <hr/> Particulars of under/over payment <hr/> Fees debited £ <hr/> Reference number
Noting of priority of statutory charge	Fee paid £										
Fee payment method: <i>Place 'X' in the appropriate box.</i> I wish to pay the appropriate fee payable under the current Land Registration Fee Order:											
<input type="checkbox"/> By cheque or postal order, amount £	made										
payable to 'Land Registry'											
<input type="checkbox"/> By Direct Debit under an authorised agreement with Land Registry											
6. Documents lodged with this form <i>Number the documents in sequence: copies should also be numbered and listed as separate documents; alternatively you may prefer to use Form DL. If you supply the original documentation and a certified copy, we will assume that you request the return of the original, if a certified copy is not supplied, we may return the original document and it may be destroyed.</i>											
7. The applicant is: <i>Please provide the full name of the person applying for the noting of the overriding priority</i> The application has been lodged by: Land Registry Key No. (if appropriate) Name (if different from the applicant) Address/DX No. Reference E-mail	FOR OFFICIAL USE ONLY Codes Dealing Status										
Telephone no.	Fax no.										

Sample Application for Registration (Form SC) continued

8. Where the registry is to deal with someone else *We shall deal only with the applicant, or the person lodging the application if different unless you place 'X' against one or more of the statements below and give the necessary details.*

Send title information document to the person shown below

Raise any requisitions or queries with the person shown below

Return original documents lodged with this form (see note in panel 6) to the person shown below
If this applies only to certain documents, please specify

Name
Address/DX No.

Reference
E-mail

Telephone No.

Fax No.

9. *Place 'X' in the appropriate box and complete as necessary*

I certify that the statutory charge is already registered as entry number _____ in the charges register

I certify that the statutory charge has arisen and this is evidenced by:

A resolution dated [_____] made by the Applicant enclosed with the accompanying application for registration of the charge

10. The applicant applies for an entry to be made on the register to show that the statutory charge referred to in panel 9 above has priority over the charge(s) shown in panel 11 below. The statutory charge has priority by virtue of: *Please state the provision, etc.*

The statements contained in a resolution dated [_____] made by the Applicant enclosed with the accompanying application for registration of the charge

11. Please identify the charge(s) over which priority is claimed: *If there are two or more charges of the same date to the same lender, you must clearly identify which charge(s) priority is claimed over by including a number or other identifier for the charge in the first column*

Date of Charge

Lender

**12. Signature of applicant
or their conveyancer** _____

Date _____

Appendix 11
Letter to Land Registry in respect of unregistered property

Your ref:

Our ref:

Date:

The Chief Land Registrar,
Merseyside District Land Registry,
Birkenhead

Dear Sir,

Property:

I refer to the above property, which has today been transferred by the Council under the Enforced Sales Procedure.

In accordance with the procedure agreed with you I, on behalf of the Council and being duly authorised to DO so, hereby certify that:

1. as recited in clause [] of the Contract for Sale dated [] the Act (as referred to therein) contains provision conferring a charge on the Premises and on all estates and interests therein.
2. as further recited in clause [] of the said Contract for Sale the Act confers on the Council all the powers and remedies under the Law of Property Act 1925 and otherwise as if they were mortgagee by deed.
3. the Council has followed the procedure in the Act as to service of notices and the carrying out of the works.
4. the charge(s) pursuant to which the Council has disposed of the property affect(s) the whole of the property known as [] today disposed of by the Council.
5. as recited in clause [] of the Contract for Sale the charge(s) pursuant to which the Council has disposed of the property was/were registered in part 2 of the Register of Local Land Charges on the [].

Yours faithfully

Borough Solicitor.

**Neighbourhoods and
Investment Programmes
Department**

Magdalen House
30 Trinity Road
Bootle
Merseyside L20 3NJ

Date:
Our Ref:
Your Ref:

Please contact:
Contact Number: 0151 934 4712
Fax No: 0151 394 4276
e-mail:

Dear,

Re:
Address:

I refer to the above and my letter dated , requesting the Title Deeds and advising you of the Council's statutory powers in relation to the charges outstanding in respect of the above property.

In that letter, I advised you that the Council has the power to sell the above property, for the purpose of enforcing the charge and to deduct from the proceeds of sale the debts due to the Council.

The Council's charge has now been registered at HM Land Registry and it is now the Council's intention to market the property with a view to a sale thereof.

Yours faithfully,



Minicom: 0151 934 4657



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Suggested Special Conditions

Building Act 1984 (Section 76) Charge – Unregistered Property

Suggested Special Conditions

1. The Property

All that Property situate at and known as [] in the Metropolitan Borough of Sefton shown for identification purposes only edged on the attached plan.

2. Recitals

2.1 WHEREAS the Vendor is a 'local authority' within the meaning of S.126 of the Building Act 1984 ('the Act') and the steps taken by the Vendor as referred to in these recitals were taken in their capacity as a local authority within the meaning of the Act

2.2 AND WHEREAS a local authority, if it considers that any premises are in such a state as to be prejudicial to health or a nuisance, and unreasonable delay in remedying that defective state would be occasioned by following the procedure prescribed by S.80 of the Environmental Protection Act 1980, may under S.76 of the Act, serve notice on the owner or occupier of those premises stating that the local authority intend to remedy the defective state and may do so, subject to there being no counter-notice served by the owner or occupier.

2.3 AND WHEREAS a notice under Section 76 of the Act is to be served in accordance with Section 94 of the Act.

2.4 AND WHEREAS the expense of such works may, by virtue of Subsection (2) of S.76 of the Act, be recovered from the owner or occupier of the premises and such expense plus interest thereon, by virtue of S.107 of the Act, from the date of completion of the works shall, until recovered, be a charge upon the premises and all estates in them and gives a local authority, for the purpose of enforcing such a charge, all the powers and remedies under the Law of Property Act 1925 and otherwise as if they were mortgagees by deed.

2.5 AND WHEREAS such charge is, by virtue of S.1(1) (a) of the Local Land Charges Act 1975, registerable as a local land charge.

2.6 AND WHEREAS under S.7 of the Local Land Charges Act 1975 a local land charge falling within the aforementioned S.1 (1) (a) takes effect as if it had been created by deed of charge by way of legal mortgage within the meaning of the Law of Property Act 1925, but without prejudice to the priority of the charge.

2.7 AND WHEREAS S.101 of the Law of Property Act 1925 provides that a mortgagee by deed shall have inter alia the power of sale of the property so mortgaged.

2.8 AND WHEREAS pursuant to a notice dated [] the Vendor gave notice to the owner or owners of the Property (in these recitals described as 'the Premises') under Section 76 of the Act by serving the notice in accordance with Section 94 of the Act by

ALTERNATIVE 1 Addressing the notice to [] and delivering it to that person **and/or**

ALTERNATIVE 2 Addressing the notice to [] and leaving it or sending it in a prepaid letter addressed to that person at [] being the usual or last known residence of that person **and/or**

ALTERNATIVE 3 Addressing the notice to the Secretary or Clerk of [] Limited] at [] being the registered or principal office of [] Limited] and delivering it or sending it in a prepaid letter to that address **and/or**

ALTERNATIVE 4 (It not being practicable after reasonable inquiry having been made to ascertain the name and address of the person to or on whom the notice should be given or served) addressing the notice to the owner or owners of the Premises (naming the Premises) and either delivering it to some person on the Premises or (there being no person on the Premises to whom it can be delivered) affixing the notice or a copy of it to some conspicuous part of the Premises.

ALTERNATIVE 5 (the Premises at the date such notice is given or served being unoccupied) addressing the notice to the owner or owners of the Premises (naming the Premises) and affixing the notice or a copy of it to some conspicuous part of the Premises stating that the Vendor intended to remedy the defective state of the Premises after the expiration of [9] days from the date of service of the notice by carrying out the following works:

2.9 AND WHEREAS there being no counter-notice served upon the Vendor within the period prescribed by S.76(3) of the Act, the Vendor executed the said works between the [] and the [] at a cost to the Vendor of [£].

2.10 AND WHEREAS on the [date] the Vendor registered the cost of the works in Part 11 of the Salford City Council Local Land Charges Register as a specific financial charge against the Premises, such charge attracting interest at such a rate from time to time applying.

2.11 AND WHEREAS the expenses incurred by the Vendor as referred to in Recital 2.9 have become a charge on the premises by virtue of Section 107 of the Act as more particularly referred to in Recital 2.4 and the said expenses continue to remain outstanding.

3 Title

3.1 The title to the property is unregistered and the Vendor does not have in its possession any of the title deeds or documents relating to the Property and the Purchaser shall raise no requisition thereon or objections thereto and shall not be entitled to postpone or delay completion as a result thereof.

3.2 The Vendor cannot produce an up-to-date receipt in respect of any yearly rent (if any) payable on the Property nor any other evidence that any such rent has been paid to date (and in which respect the Vendor shall not be liable for any arrears of such rent up to the date of Actual Completion and which liability the Purchaser will assume on Actual Completion) and the Purchaser shall raise no requisition nor be entitled to delay or postpone completion as a result thereof.

3.3 The Purchaser purchases with full knowledge of the fact that on first registration of the title to the Property at HM Land Registry the Chief Land Registrar will make an entry against such title on the following (or similar terms) and the Purchaser shall make no claim or demand against the Vendor in regard thereto:

“The Property is subject to such restrictive covenants and to such rent charges as may have been imposed thereon before [*this will be the date of application for first registration*] and are still subsisting and capable of taking effect”.

4 Possession

Vacant possession of the Property will be given to the Purchaser on Actual Completion.

5 Covenants for Title

- 5.1** The Vendor is selling all of the estates and interests in the Property as are bound by the Charge(s) arising under Section 107 of the Building Act 1984 as referred to Recital 2.11 of these Special Conditions but freed and discharged from the said Charge(s).
- 5.2** Sections 1 to 9 of the Law of Property (Miscellaneous Provisions) Act 1994 shall not apply to this Agreement and the Transfer of the Property to the Purchaser ('the Transfer') and the Transfer shall contain the following provisions:
- 5.2.1 In consideration of £[naming the amount of the consideration] (receipt of which is acknowledged) the Vendor transfers the Property to the Purchaser
- 5.2.2 The parties agree and declare that the covenants by the Vendor implied by Sections 1 to 9 of the Law of Property (Miscellaneous Provisions) Act 1994 shall not apply to this transfer.

6 Matters affecting the Property

The property is sold subject to and (as the case may be) with the benefit of:

- 6.1** all rents rights exceptions and reservations and covenants and conditions provisions and agreements and declarations or otherwise as subsist and relate to the Property without any obligation or liability on the part of the Vendor (whether as a result of its inability to produce the title deeds or documents to the property or otherwise) to define or provide details of the same.
- 6.2** all Local Land Charges whether registered or not before or after the date hereof and all matters capable of being registered as such
- 6.3** all notices served and orders demands proposals or requirements made by any local or public authority whether before or after the date hereof
- 6.4** all actual or proposed orders directions notices charges restrictions conditions agreements or other matters arising under the town and country planning legislation and environmental law.
- 6.5** all covenants exceptions and reservations of whatever nature all rights of way water light air and other rights easements quasi easements liabilities and public or private rights whatever and to any liability to repair or contribute to the repair of sewers drains fences or other like matters as the Purchaser shall have notice of or shall be apparent on inspection of the Property.

7 Indemnity covenant by the Purchaser

The transfer will contain a covenant by the Purchaser with the Vendor that the Purchaser and its successors in title will henceforth observe and perform all such matters subject to which the property is expressed to be sold in Clause 6.1 of these Special Conditions the breach of which would or could expose the Vendor to liability (either direct or indirect) and will contain an indemnity by the Purchaser in favour of the Vendor against all actions proceedings costs claims and demands which may be made against the Vendor in connection with the breach non-performance or non-observance of the same.

8 Subsales

The Vendor will not be required to execute a Transfer of the property to any person other than the Purchaser and in one parcel and by one transfer.

9 General Conditions

- 9.1** 'The General Conditions' means the Standard Conditions of Sale (Fourth Edition)
- 9.2** The General Conditions are deemed to be incorporated herein so far as the same are applicable to a sale by private treaty and are not varied by or inconsistent with these Special Conditions and the

'contract rate' will be four per cent (4%) per annum above the Base Rate for the time being of the Co-operative Bank plc.

9.3 The General Conditions are amended as follows:

- 9.3.1 Standard Conditions 2.2.5 and 2.2.6 shall not apply and the Deposit shall be paid to the Vendor's Solicitor as agent for the Vendor.
- 9.3.2 In Standard Condition 3.1.2 subclause (c) the words "and could not reasonably" shall be deleted
- 9.3.3 Standard Condition 3.4 shall not apply
- 9.3.4 Standard Condition 4.6.2 shall not apply
- 9.3.5 Standard Condition 5.1.1 shall not apply and the buyer assumes the risk when the contract is made
- 9.3.6 Standard Condition 5.1.2 shall not apply and the buyer must buy the Property in whatever physical state it is in at completion.

- 9.3.7 Standard Conditions 5.2.2 (b), 5.2.2 (e) and 5.2.2 (g) shall not apply
- 9.3.8 Standard Condition 5.2.3 shall not apply
- 9.3.9 Standard Condition 5.2.7 shall not apply
- 9.3.10 In Standard Condition 5.2.2 (f) the words "nor change its use and is to comply with all statutory obligations relating to the property and indemnify the seller against all liability arising as a result of any breach of such obligation" shall be added at the end
- 9.3.11 In Standard Condition 7.1.1 the words "or in negotiation leading to it" and "or was" shall be deleted
- 9.3.12 Standard Condition 7.3.2 shall be deleted and the following substituted:
Compensation is calculated at the contract rate on all sums payable under the contract (other than pursuant to Standard Condition 6.3) for the period between the completion date and actual completion.

10 Non-merger

The contract will not merge in the Transfer on completion but will continue in full force and effect in relation to any matters outstanding at completion.

11 Condition of the Property

The Purchaser is deemed to have made a full and complete inspection of the Property and to have full knowledge and notice of the state of repair and condition thereof in all respects and the Purchaser shall make no claim or demand whatsoever against the Vendor in respect of any matter or thing arising out of or in connection with the state of repair and condition of the Property or any part thereof.

12 Transfer to take effect subject to General and Special Conditions

The transfer is to take effect as if the disposition is expressly made subject to all matters to which the Property is sold subject under the General Conditions and Special Conditions of sale.

13 Completion Date

The sale will be completed at the office of the Vendor's Solicitor before 2.30pm on []

14 Restriction on Assignment

This Agreement is personal to the Purchaser and shall not be capable of assignment.

**Environmental Protection
Department**

Magdalen House
30 Trinity Road
Bootle
Merseyside L20 3NJ

Date:
Our Ref:
Your Ref:

Please contact:
Contact Number: 0151 934 4712
Fax No: 0151 394 4276
e-mail:

Dear,

Re:
Address:

I refer to the above property, which has today been transferred by the Council under the Enforced Sales Procedure.

In accordance with the procedure agreed with you, I on behalf of the Council and being duly authorised to do so, hereby certify that:

1. as recited in clause [] of the Contract for Sale dated [] the Act (as referred to therein) contains provision conferring a charge on the Premises and on all estates and interests therein.
2. as further recited in clause [] of the said Contract for Sale the Act confers on the Council all the powers and remedies under the Law of Property Act 1925 and otherwise as if they were mortgagee by deed.
3. the Council has followed the procedure in the Act as to service of notices and the carrying out of the works.
4. the charge(s) pursuant to which the Council has disposed of the property affect(s) the whole of the property known as [] today disposed of by the Council.
5. as recited in clause [] of the Contract for Sale the charge(s) pursuant to which the Council has disposed of the property was/were registered in part 2 of the Register of Local Land Charges on the []

Yours faithfully,



Minicom: 0151 934 4657



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ITEM NO.