

COUNCIL
8th March 2023

Subject: Second Homes and Empty Properties Council Tax Premiums

Purpose: To seek approval for the adoption of premiums on second homes and empty properties.

Recommendations / key decisions required:

1. That Council determines that it will apply / charge a Council Tax Premium on second homes and long-term empty properties as defined by Sections 12A and 12B of the local Government Finance Act 1992, as inserted by the Housing (Wales) Act 2014.
2. to approve a council tax premium of 50% premium is levied in 2024/25 in respect of second homes¹, with a view to increasing the premium to 100% from 1 April 2025.
3. to approve a council tax premium on long-term empty properties² as follows:
 - 50% Premium for empty properties > 1 year < 2 years
 - 100% Premium for empty properties > 2 years < 5 years
 - 200% Premium for empty properties > 5 years
4. that delegated authority be given to the Director of Corporate Services to implement the changes and to notify the owners of all affected properties.
5. that the Director of Corporate Services and Cabinet Member for Resources keep these premiums under review and to bring changes to Cabinet and Council for approval as appropriate.

Reasons:

Concerns have been raised at both a local and National level about the perceived impact of growing numbers of second homes and empty properties on our communities and the need to ensure that everyone in Wales can have access to good quality, affordable housing.

Cabinet Decision Required

NO

Council Decision Required

YES 8th March 2023

¹ See Appendix 1 for definition and current numbers per band

² See Appendix 1 for definition and current numbers per band

CABINET MEMBER PORTFOLIO HOLDER:-

Cllr. Alun Lenny Cabinet Member for Resources

<p>Directorate: Corporate Services Director: Chris Moore Head of Service: Helen Pugh Report Author:</p>	<p>Designations: Director of Corporate Services Head of Revenues & Financial Compliance</p>	<p>Email addresses: CMoore@Carmarthenshire.gov.uk HLPugh@carmarthenshire.gov.uk</p>
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EXECUTIVE SUMMARY

SECOND HOMES AND EMPTY PROPERTIES COUNCIL TAX PREMIUMS

This report brings to the attention of the Council discretionary powers when determining the level of Council tax premiums to be levied in respect of second homes and long-term empty properties and provides the results and conclusion of the recent consultation on the Cabinet's proposals.

The report recommends that Full Council introduces premiums on second homes and long-term empty properties, from 1st April 2024, and supports the Council's objective to increase the supply of housing and the need for affordable housing.

DETAILED REPORT ATTACHED?

YES

Finance

Any income raised through the introduction of premiums would be retained by the Council. The additional revenue generated will be able to be used to help meet local housing needs OR be used for other Council services in general.

Costs: potential impact on HRA where there are long term voids due to significant capital work required

Costs: additional resources will be required in order to monitor properties subject to premiums and represent the Council at Valuation tribunals where appeals against decisions to charge premiums.

IT staff resources / time required to ensure that the data collated is recorded accurately

ICT

IT implications on the software / database and links to citizen access.

Resource will be needed to write programmes to enable us to clearly identify what's been collected as a premium

Risk Management Issues

Risk that some holiday lets may transfer to rates should they qualify, reducing the amount collectable for the use by the Council

Staffing Implications

Additional staffing resource will be needed as noted above in financial implications

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: H L Pugh Head of Revenues & Financial Compliance

(Please specify the outcomes of consultations undertaken where they arise against the following headings)

1. Scrutiny Committee request for pre-determination	N/A –
If yes include the following information: -	
Scrutiny Committee	
Date the report was considered:-	
Scrutiny Committee Outcome/Recommendations:-	

2. Local Member(s)

N/A

3. Community / Town Council

N/A

4. Relevant Partners - Public Consultation carried out of residents of Carmarthenshire / members of the public / key stakeholders / those directly affected by the decision

5. Staff Side Representatives and other Organisations

N/A

**CABINET MEMBER PORTFOLIO
HOLDER(S) AWARE/CONSULTED**

YES

**Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:**

Title of Document	File Ref No.	Locations that the papers are available for public inspection
Impact Assessment		Firmstep

