



**REPORT of  
DIRECTOR OF SERVICE DELIVERY**

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**to  
FINANCE AND CORPORATE SERVICES COMMITTEE  
27 NOVEMBER 2018**

**COUNCIL TAX – PROPOSALS TO INCREASE EMPTY HOMES PREMIUM**

**1. PURPOSE OF THE REPORT**

- 1.1 For Members to consider an increase to the Council Tax Empty Homes Premium to the maximum permitted in accordance with the Legislation.

**2. RECOMMENDATION**

That Members approve the imposition of the maximum Empty Homes Premium permitted by Legislation.

**3. SUMMARY OF KEY ISSUES**

**3.1 Background of Empty Homes Premium**

- 3.1.1 On 27 November 2012 Members approved the imposition of a 50% Council Tax additional charge on properties that had remained empty for more than two years (referred to as long term empty properties).
- 3.1.2 In 2012 the total number of long term empty homes were 117, and this has now reduced to 77, therefore the policy has had a positive impact on reducing the numbers of long term empty properties.

**3.2 Links to Homelessness and Housing Strategy 2018 - 23**

- 3.2.1 The use of the maximum levels of Empty Home Premium directly supports our Homeless and Housing Strategy, through a strong focus on properties that have been empty for the longest periods of time.

**3.3 Maximum Levels of Premium**

- 3.3.1 On 1 November 2018 new legislation was approved enabling the council tax premium to gradually increase to a maximum of 300% by 2021 to act as a further disincentive for properties to be left empty.

- 3.3.2 The new legislation permits the following maximum premiums to be charged for properties that remain empty for more than two years as follows:

Financial Year	Period Property unoccupied	Maximum Premium chargeable
2019/20	2 years	100%
2020/21	2 years	100%
2020/21	5 years	200%
2021/22	2 Years	100%
2021/22	5 years	200%
2021/22	10 years	300%

- 3.3.3 It is proposed to adopt the maximum level of charge to minimise the numbers of long term empty homes in the District.

#### 4. CONCLUSION

- 4.1 The district is facing significant housing demand, and the imposition of an Empty Home Premium on properties that have remained empty for more than two years will support the Councils Strategic approach to reducing the levels of long term empty homes in the District.

#### 5. IMPACT ON CORPORATE GOALS

- 5.1 This policy will directly support the Councils Corporate priority of Protecting and Shaping the District, through providing a financial disincentive for homes being left long term empty, supporting our Strategic approach of encouraging empty homes back into use thereby increasing the housing supply.

#### 6. IMPLICATIONS

- (i) **Impact on Customers** – The impact on customers would be minimal as owners would still have two years from the date the property becomes empty before any additional premium would be payable.
- The policy should encourage the reduction of the numbers of long term empty homes, thereby increasing the wider housing supply for customers.
- (ii) **Impact on Equalities** – None.
- (iii) **Impact on Risk** – Minimal risks relating to collection of the increased council tax charges.
- (iv) **Impact on Resources (financial)** – There is an anticipated £65,000 increase to the collection fund from 2019, which could generate £9,000 income for the Council based upon current levels of long term empty homes. If the policy has the desired effect this would reduce the levels of additional revenue as homes would come back into use.

- (v) **Impact on Resources (human)** – Minimal.
- (vi) **Impact on the Environment** – Will support an increased housing supply.

Background papers: None.

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