

Bath & North East Somerset Council

MEETING	Council	
MEETING DATE:	12th November 2020	
TITLE:	Council Tax – Long Term Empty Property Premiums	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report: None		

1 THE ISSUE

Council has the discretion to amend the council tax premium charged for long-term empty properties, and encourage the return of empty dwellings for occupied homes.

2 RECOMMENDATION

Council is asked to;

- 2.1 Increase the council tax empty homes premium to 300% for properties empty for ten years or more, from 1st April 2021

3 THE REPORT

3.1 Section 2 of the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 (The Act) provides councils with the discretion to increase the percentage of council tax payable in respect of long term empty properties, up to 300% in some instances.

3.2 Since 1st April 2020, Bath & NE Somerset charge a 100% council tax premium on domestic properties empty for between two and five years and 200% for properties empty for more than five years, as an incentive to bring them back in to use.

3.3 Since the introduction of the premium in April 2013, the number of long term empty dwellings in Bath & NE Somerset has plateaued in recent years.

- 3.4 The council currently have 237 long term empty homes subject to the 50% council tax premium, up from 225 in 2019/2020.
- 3.5 The 237 long term empty properties comprise of 183 subject to the 100% premium (empty between two and five years) and 54 attracting a 200% premium (empty for five years or more).
- 3.6 There are currently 24 properties which, from 1st April 2021, would have been empty for ten years or more.
- 3.7 The rationale behind increasing the premium is to provide owners with a further incentive to bring empty homes back in to use, thus supporting the aims of the Council's Empty Residential Homes Policy.
- 3.8 The Act gives councils the ability to increase the premium as follows:
- (1) 100% for properties empty for between two and five years from 1st April 2020
 - (2) 200% for properties empty for between five and ten years from 1st April 2020
 - (3) 300% for properties empty for over ten years from 1st April 2021
- 3.9 Should Members decide to increase the premium as in 3.6 (3) above, the estimated additional yield of council tax for these 24 properties is £38,930.

4 STATUTORY CONSIDERATIONS

- 4.1 This report has been written in accordance with the provisions of The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018.
- 4.2 Consideration has also been given to the council's Empty Residential Homes Policy 2018 and the implications long term empty properties have on residents living in their locality.

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 5.1 The recommendations in the report will further incentivise owners of long term empty properties to return them to occupation, thus increasing homes available in accordance with the council's Empty Residential Homes Policy.
- 5.2 Whilst the numbers of long term empty properties remain, the recommendations in this report will deliver an estimated additional council tax yield of around £38,930, the Council's share after excluding the amount relating to the Police, Fire and Parishes is estimated at £31,889.
- 5.3 If the proposed changes are agreed, the revised premiums will be factored into the Council Tax Taxbase calculations for 2021/2022 and the Council Tax income estimates used as part of setting the revenue budget.

6 RISK MANAGEMENT

6.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

7 EQUALITIES

7.1 An equalities Impact Assessment has been undertaken in accordance with Council Policy.

8 CLIMATE CHANGE

8.1 The subject matter of this report does not have any impact on climate change.

9 OTHER OPTIONS CONSIDERED

9.1 The council could continue with the current 200% council tax long term empty premium for properties empty for more than ten years. However, it would not further incentivise owners to bring their empty properties back in to use or provide the Empty Properties Officer further leverage in delivering the Empty Residential Homes Policy.

10 CONSULTATION

10.1 The S151 Officer and the Director of Legal Services have been consulted on these proposals.

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Background papers	none
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