

Bath & North East Somerset Council

MEETING:	Council	
MEETING DATE:	30 November 2023	
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 100% for properties empty for between one and five years (currently between two and five years), from 1 April 2024.

3 THE REPORT

3.1 Section 2 of the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 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 2021, Bath & NE Somerset charge a 100% council tax premium on domestic properties empty for between two and five years, 200% for properties empty for between five and ten years and 300% for more than ten years, as an incentive to bring them back in to use.

- 3.3 On 26 October 2023, The Levelling-Up and Regeneration Act 2023 (The Act) received Royal Assent and Section 72 permits councils to charge a long term empty premium of 100% after one year, rather than after two years, prior to section 72 coming into force.
- 3.4 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.
- 3.5 The council currently have 162 empty homes subject to a 100% council tax long term empty premium, 40 subject to 200% and 20 attracting a 300%. This compares with 183, 54 and 24 on 1st April 2021, supporting the aim of bringing properties back in to use.
- 3.6 There are currently around 340 properties on our council tax records which have been empty for between one and two years and would fall under the amendment under Section 72 of The Act.
- 3.7 If the start date of the council tax long term empty premium is adopted from 1st April 2024 as per the recommendation in this report, the estimated additional yield of council tax for these 340 properties is £670,000, of which the Council's share would be approximately £540,000.

4 STATUTORY CONSIDERATIONS

- 4.1 This report has been written in accordance with the provisions of Section 11B Local Government Finance Act 1992, as amended by The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 as amended by The Levelling-Up and Regeneration Act 2023.
- 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 The numbers of long term empty properties have shown to decrease with the application of the council tax long term empty premiums (see 3.5 above) , the recommendations in this report will deliver an estimated additional council tax yield of around £670,000, the Council's share after excluding the amount relating to the Police, Fire and Parishes is estimated at £540,000.
- 5.3 If the proposed changes are agreed, the revised premiums will be factored into the Council Tax Taxbase calculations for 2024/2025 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 start date of two years prior to applying a 100% council tax long term empty premium. 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 Monitoring Officer have been consulted on these proposals.

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Background papers	none
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