

Council Tax Review of Locally Defined Discounts and Premiums

Appendix 1

Locally defined discounts and premiums	2022/2023	Proposal for 2023/2024
Prescribed class A and B second homes to include those with planning restrictions.	Nil discount	Nil discount
Prescribed class C vacant, unoccupied, and substantially unfurnished properties.	Nil discount	Nil discount
Prescribed class D properties in need of or undergoing major repair.	Nil discount	Nil discount
Empty homes premium (properties that have been vacant for more than 2 years but less than 5 years)	100%	100%
Empty homes premium (properties that have been vacant for more than 5 years but less than 10 years)	200%	200%
Empty homes premium (properties that have been vacant for more than 10 years)	300%	300%

Prescribed classes A and B relates to unoccupied, furnished properties, i.e., second homes. At its meeting on the 5 October 2021, Cabinet resolved that for 2022/2023 financial year a zero discount shall apply. It is proposed to continue to set a zero discount for 2023/2024, as the Council does not accept that there is a valid reason for treating second homes more favourably than first homes.

Prescribed class C relates to unfurnished properties. At its meeting on 5 October 2021 Cabinet resolved that for the 2022/2023 financial year a zero discount shall apply for unoccupied and unfurnished properties. It is proposed to continue to set a zero discount for the 2023/24 financial year, as local authority services continue to be provided. This will also encourage owners to keep valuable housing stock in use by bringing them back into full occupancy as swiftly as possible.

Prescribed class D relates to properties in need of or are undergoing major repair works, to render the property habitable, or undergoing structural alterations, or less than six months has elapsed since the completion of such works. On the 5 October 2021, Cabinet resolved that for 2022/2023 financial year a zero discount shall apply. It is proposed to continue to set a zero discount for the 2023/2024 financial year. This will encourage owners, to bring properties back into the available housing stock, as quickly as possible, by refurbishing properties in need of major repair, in a timely manner. In terms of structural alterations, the Council does not accept that those property owners who are making this type of alteration, should be treated more favourably than other property owners in the district.

The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 brought in the power for councils to increase the maximum levels of the empty homes' premium.

At its meeting on the 5 October 2021, Cabinet resolved that for 2022/2023 financial year a 100% empty homes premium be charged for properties vacant for between 2 and 5 years. In respect of properties that have been empty for between 5 years and 10 years Cabinet resolved to charge a premium of 200% and for properties empty for

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over 10 years 300%. It is proposed for the financial year 2023/24 to maintain these levels of premium.

Bringing empty properties back into use forms part of the Council's housing strategy and the extra cost of an empty homes' premium may encourage owners of long-term empty properties to bring them back into use.