

Council Tax Reduction Scheme and review of Council Tax review of locally defined discounts and premia for 2017/18

Appendix 2: Proposed changes to the locally defined prescribed class D discount for the 2017/18 financial year

The Local Government Finance Act 2003 provided devolved powers for billing authorities to make decisions on council tax discounts for certain dwellings based on local circumstances such as second homes and long term empty dwellings. Additional freedoms have been added by the Local Government Finance Act 2012 extending the range of discounts that can be awarded to second homes, allowing for an 'empty home premium', and allowing charging up to 100% council tax for some properties that were previously exempt.

Since 2013 the locally defined discount for prescribed class D has been set at 100% for up to 12 months. Prescribed class D relates to properties in need of or undergoing major repair to render them habitable or which were undergoing structural alterations, or less than six months has elapsed since the completion of such works.

It is proposed the 100% award for prescribed class D discounts could be varied to fund or partially fund anticipated increase in cost of the CTR scheme. Officers are seeking authorisation to consult on a variation to the discount on this basis.

The proposed variations to the discounts are as follows;

Assumed cost of 100% discount for 2017/18	£197,883.14
75% discount	£148,412.35
50% discount	£98,941.57
25% discount	£49,470.78
Potential increase in revenue	
75% discount	£49,470.78
50% discount	£98,941.57
25% discount	£148,412.35
0% discount	£197,883.14