

HIGH PEAK BOROUGH COUNCIL

Corporate Select Committee

7 February 2022

TITLE:	Council Tax - Long Term Empty Property Premium Levy Policy
EXECUTIVE COUNCILLOR:	Councillor Alan Barrow - Executive Councillor for Corporate Services and Finance
CONTACT OFFICER:	John Betts - Interim Executive Director Finance and Revenues & Benefits
WARDS INVOLVED:	Non Specific

1. Reason for the Report

- 1.1 The purpose of the report is to update the Council Tax Levies Policy to include a new charge on properties empty for at least ten years and to clarify circumstances where the empty property premium levy may be waived.

2. Recommendation

- 2.1 That the committee recommends to the Executive approval of amendments to the current Council Tax Reductions and Levies Policy to include:
- a levy of 300% of Council Tax for properties empty for at least ten years, from 1 April 2022
 - clarification on circumstances where the levy may be waived (outlined in paragraphs 3.5 and 3.6)

3. Executive Summary

- 3.1 The Council's Council Tax reductions and levies policy was last reviewed (and approved) in February 2020.
- 3.2 The Council's Empty Property Strategy was considered during that review. The aim of the policy is to bring empty properties back into use. Therefore, it was agreed to increase the empty property levy chargeable on empty properties from 1st April 2020 to:-
- Levy of 100% of Council Tax for properties empty for at least two years
 - Levy of 200% of Council Tax for properties empty for at least five years

- 3.3 However, at the time the Council did not take a view on increasing the levy for properties empty for at least ten years. The Rating (Property in Common Occupation) and Council Tax Act 2018, which came into force in November 2018, gave the Council the power to impose an extra 300% Council Tax for properties empty for at least ten years from 1st April 2021.
- 3.4 Therefore, it is recommended that the Council amends its Long Term Empty Property Premium Levy Policy to include a levy of 300% of Council Tax for properties empty for at least ten years, from 1 April 2022. It is estimated that this policy could affect (and therefore encourage the bringing back into use) 65 dwellings within the Council's area.
- 3.5 The policy also needs to identify exceptions where the empty property premium levy will not be applied, as follows:
- a property which has been left empty by a member of the Armed Forces who has been posted away from home
 - a property which is an annexe to another property and it is being used as part of the main property
- 3.6 There are further circumstances where the empty property premium may be waived. The Council will treat applications on their individual merits where:
- the property is actively being marketed for sale
 - the property is actively being marketed for let.
 - where a property requires extensive works to bring the property back into use and the owner proposes and demonstrates a commitment to execute a scheme of works with a commitment to reoccupy, sell or rent
 - where the imposition of the council tax premium would result in severe financial hardship to someone with a serious illness, disability or vulnerability
- 3.7 When considering to waive an empty premium on a property the Council will identify the evidence required to demonstrate eligibility and will review these accounts every 6 months.

4. How this report links to Corporate Priorities

- 4.1 The long term empty property levy aims to bring properties back into use in line with the Council's Empty Property Strategy.

5. Options and Analysis

- 5.1 There is an option to do nothing and not amend the current policy on properties empty for over ten years. However, where Government allows local authorities to make discretionary decisions in respect of council tax due, Members need to consider the proposals.

6. Implications

6.1 Community Safety - (Crime and Disorder Act 1998)

None

6.2 Workforce

None

6.3 Equality and Diversity/Equality Impact Assessment

The report has been prepared in accordance with the Council's Diversity and Equality Policy.

6.4 Financial Considerations

Financial considerations are considered within the report.

6.5 Legal

The Rating (Property in Common Occupation) and Council Tax Act 2018 gives the Council the powers to impose the proposed levy.

6.6 Sustainability

Using financial policy to encourage more properties back into use helps support a more efficient way of using scarce housing assets.

6.7 Internal and External Consultation

In respect of the empty property levy increase, attention was drawn to this option within the letters/survey issued as part of the empty property review in 2020. This provided information to owners of empty properties that the Council had the powers to increase to the levy.

6.8 Risk Assessment

None.

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Web Links and Background Papers

Location

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