

COUNCIL TAX PREMIUM CHANGES FOR EMPTY AND SECOND HOMES

Item CB 23/106 referred from (Extraordinary) Cabinet of 5 December 2023

Following the recent Royal Assent of the Levelling Up and Regeneration Bill, consideration was given to proposals to introduce a Council Tax premium for second homes from 2025/26 onwards and to amend Council Tax empty home premiums from 2024/25 onwards.

The previous recommendation of Cabinet to Council (CB 23/3) in respect of these proposals had been deferred pending enactment of the Bill. Whilst the criteria for both empty homes and second homes premium charges remained unchanged the effective date for implementation of the latter had changed due to the delay in the Bill being enacted.

Due regard was given to the financial and value for money considerations, the legal implications and the summary of perceived risks set out in the report. In addition, it was recognised that these premiums could strengthen the incentive of owners of empty properties to bring them back into use and might encourage the sale or even private rental of properties in support of the Borough Council's priorities in respect of housing options.

RECOMMENDED*: That

- (1) the amendments to Council Tax empty home premiums from 2024/25 financial year onwards, as set out in 1.3.1 be adopted; and
- (2) a Council Tax premium to second homes from 2025/26 financial year onwards, as set out 1.4.3, be introduced.

***Recommended to Council**