

Neath Port Talbot County Borough Council

Cabinet

18th March 2024

Report of the Chief Finance Officer

Council Tax Premium on Long Term Empty Dwellings and Second Homes

Matter for decision

Wards affected – All

Purpose of the report

On the 28th June 2023 Cabinet resolved to undertake a consultation exercise on the application of a council tax premium on long term empty (LTE) dwellings and second homes (SH).

The consultation exercise closed on the 31st October 2023. The purpose of this report is to inform Cabinet and Council of the outcome of the consultation and seek a decision as to whether a council tax premium of 200% should be introduced from the 1st April 2025, i.e. a further 100% on top of the existing 100% charge.

Background

Since the 1st of April 2020 long term empty dwellings are charged 100% council tax for specified categories of dwellings which have been empty for more than 6 months. With regards to second homes, these are charged council tax at 100% immediately they fall into that category of dwelling.

A report was presented to Cabinet outlining the discretionary powers that Councils have had since April 2017, under the Housing (Wales) Act 2014, to be able to charge higher amounts (a premium) of up to 100% on top of the standard rate of council tax on long term empty homes and second homes. From April 2023, under The Council Tax (Long term Empty Dwellings and Dwellings Occupied Periodically) (Wales) Regulations 2022, up to 300% premium can be charged.

A LTE dwelling is defined as a dwelling, which is both **unoccupied** and substantially **unfurnished** for a continuous period of at least **one year**.

A second home is defined as a dwelling that is not a person’s sole or main residence and is substantially furnished

The discretion given to local authorities to charge a premium is intended to be a tool to help local authorities to –

- Bring long-term empty dwellings back into use to provide safe, secure and affordable homes; and
- Support local authorities in increasing the supply for affordable housing and enhancing the sustainability of local communities.

The Welsh Government guidance outlines a number of exceptions where premiums cannot be charged on empty homes and second homes which are detailed below –

Classes of Dwelling	Definition	Application
Class 1	Dwellings being marketed for sale – time limited for one year	Long Term Empty Homes and Second Homes
Class 2	Dwellings being marketed for let – time limited for one year	
Class 3	Annexes forming part of, or being treated as part of, the main dwelling	
Class 4	Dwellings which would be someone’s sole or main residence if they were not residing in armed forces accommodation	
Class 5	Occupied caravan pitches and boat moorings	Second Homes
Class 6	Seasonal homes where year-round occupation is prohibited	
Class 7	Job-related dwellings	

Premiums for Long Term Empty dwellings (Wales data)

The report to Cabinet in June 2023 included a table which showed the position across Wales (2022-23) in terms of those authorities that charge an empty property premium, plus the percentage premium applied and the number of properties affected. This is replicated below –

	Long Term Empty Homes Premium				
	25%	50%	75%	100%	Total
Isle of Anglesey	0	0	0	324	324
Blaenau Gwent	0	0	0	0	0
Bridgend	0	0	0	0	0
Caerphilly	0	0	0	0	0
Cardiff	0	826	0	0	826
Carmarthenshire	0	0	0	0	0
Ceredigion	579	0	0	0	579
Conwy	0	398	0	0	398
Denbighshire	0	516	0	0	516
Flintshire	0	588	0	0	588
Gwynedd	0	0	0	1019	1,019
Merthyr Tydfil	0	0	0	0	0
Monmouthshire	0	0	0	0	0
Neath Port Talbot	0	0	0	0	0
Newport	0	0	0	0	0
Pembrokeshire	129	89	0	246	464
Powys	0	665	0	0	665
Rhondda Cynon Taf	0	0	0	0	0
Swansea	0	0	0	1,079	1,079
Torfaen	0	0	0	0	0
Vale of Glamorgan	0	0	0	0	0
Wrexham	0	260	0	0	260
Total Wales	708	3,342	0	2,668	6,718

Neath Port Talbot's latest data (1st January 2024) shows that there are 1,153 LTE homes in the borough. The table below provides additional information in relation to these properties by length of time empty:

Period	Number of LTE
Less than 12 months	241
1 – 5 years	610
5 – 10 years	187
Over 10 years	115
Total	1,153

The table below provides a breakdown by Council Tax Band:

Band	Number of LTE
A	355
B	456
C	192
D	96
E	30
F	11
G	6
H	6
I	1
Total	1,153

The decision to charge a council tax premium on long term empty properties is part of a wider strategy to try to encourage home owners to return their properties to good use. As part of the strategy homeowners will be signposted to Welsh Government's 'Houses into Homes' loan scheme which is designed to provide financial assistance to bring long term empty properties back into residential use.

The Head of Planning and Public Protection is supportive of this proposal as it will help the broader work bringing long term empty properties back into positive use

Second Home Premiums (Wales data)

The Welsh Government Stats Wales website also shows the following position across Wales (2022-23) in terms of those authorities that charge a council tax premium on second homes, plus the percentage premium applied and the number of properties affected:

	Second Homes Premium				
	25%	50%	75%	100%	Total
Blaenau Gwent	0	0	0	0	0
Bridgend	0	0	0	0	0
Caerphilly	0	0	0	0	0
Cardiff	0	0	0	0	0
Carmarthenshire	0	0	0	0	0

Ceredigion	1,642	0	0	0	1,642
Conwy	1,050	0	0	0	1,050
Denbighshire	0	384	0	0	384
Flintshire	0	177	0	0	177
Gwynedd	0	0	0	3,746	3,746
Isle of Anglesey	0	2,149	0	0	2,149
Merthyr Tydfil	0	0	0	0	0
Monmouthshire	0	0	0	0	0
Neath Port Talbot	0	0	0	0	0
Newport	0	0	0	0	0
Pembrokeshire	0	0	0	3,794	3,794
Powys	0	1,074	0	0	1,074
Rhondda Cynon Taf	0	0	0	0	0
Swansea	0	0	0	1,284	1,284
Torfaen	0	0	0	0	0
Vale of Glamorgan	0	0	0	0	0
Wrexham	0	0	0	0	0
Total Wales	2,692	3,784	0	8,824	15,300

Currently Neath Port Talbot Council has 555 properties which are classed as second homes that currently pay 100% charge.

The table below provides additional information in relation to these properties by band:

Band	Number of 2 nd Homes
A	114
B	207
C	121
D	73
E	27
F	9
G	3
H	0
I	1
Total	555

Communication and consultation methodology

The methodology used for consultation was coordinated by the Communications Team, in partnership with colleagues from Revenues and Benefits.

An online survey was designed using Snap Survey questionnaire software.

Residents were directed to this survey via:

- The Council's dedicated Consultation page.
- The Council's corporate social media pages, namely Facebook and Twitter
- A direct mail out to all owners of empty properties and second homes. These includes private and social landlords.
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Updates reminding residents of the consultation were shared periodically to our social media pages via posts.

Staff were made aware of the consultation via SWAY to increase engagement.

The consultation ran for a period of 13 weeks from the 1st August 2023 to the 31st October 2023.

Outcome of consultation

A copy of the full consultation report responses is attached at Appendix 1.

The headlines from the consultation are as follows -

1. There were 433 responses to the consultation. 76% of respondents live in Neath Port Talbot. 66% of respondents did not own a long-term empty property in the borough and 69% of respondents did not own a 2nd home in the borough.
2. 27% of respondents stated they strongly agree with the proposal to introduce a premium on long term empty properties, 13% agreed with the proposal.
3. 44% of respondents stated they strongly disagreed with the proposal to introduce a premium on long term empty properties, 8% disagreed with the proposal.

4. 24% of respondents stated they strongly agreed with the proposal to introduce a premium on 2nd homes, 10% agreed with the proposal.
5. 48% of respondents strongly disagreed with the proposal to introduce a premium on 2nd homes and 10% disagreed with the proposal.

Financial impact

The charging of a 100% premium on long-term empty dwellings and second homes would raise additional revenue through council tax collection. This is estimated at a maximum of £2,389,858.21 (based on the full year impact of a 100% premium, once both premiums are implemented (April 2025), and based on the current 98% collection rate at average Band D council tax rates £1,734.72 (the current 2023/24 level), see calculation below.

Additional Revenue Calculation					
				Ratio	
Band	LTE	SH	Total	to Band	Total
A	355	114	469	6/9	313
B	456	207	663	7/9	516
C	192	121	313	8/9	278
D	96	73	169	9/9	169
E	30	27	57	11/9	70
F	11	9	20	13/9	29
G	6	3	9	15/9	15
H	6	0	6	18/9	12
I	1	1	2	21/9	5
Total Band D properties					1,406
Potential maximum additional revenue					£2,438,630.83
Current collection rate for the Council Tax Bas					98%
Maximum additional revenue					£2,389,858.21

However, taking into account the information detailed below, it is estimated that the additional revenue may be circa £1.5m.

- It is likely that that a much lower collection rate is achieved for these types of properties
- Many properties will fall into the exempt categories.

- It is likely that the Council will also receive notification from a potentially large group of these owners informing the Council that the property has become occupied prior to the premium being introduced. Where this is the case, there is also the possibility of a single occupier and a 25% Single Persons Discount being claimed against the current 100% charge.
- It is likely that some prescribed class of dwellings (namely second homes) may become substantially unfurnished to attract a 6 month exemption prior to the introduction of a premium.

Should the Council determine to charge a premium on these types of property then notice of the decision must be published at the minimum in a local newspaper, but it is recommended that this is published more widely, within 21 days of that decision but there is no requirement for the Council to provide a prescribed period of notice before charging a premium. The Council would write to each homeowner, once a decision is made, to advise them of the forthcoming change thereby providing as much advance notice as possible.

In line with the WG guidance, the local authority is permitted to retain any additional funds generated by implementing the premium. Authorities are encouraged to use any additional revenue generated to help meet local housing needs, in line with the policy intentions of the premiums.

It is proposed that the extra funding generated would support the Council's Empty Property Strategy and Homelessness Strategy and will be used to support budget pressures in these areas through the Medium-Term Financial Strategy.

Integrated impact assessment

A full integrated assessment is attached in Appendix 2

Valley communities impacts

The proposals have potential to generate positive outcomes for people in all communities who are struggling to secure suitable sustainable accommodation.

Workforce impacts

All LTE accounts will need to be reviewed to determine if any exemption from the premium is applicable. Staff will need to deal with the associated workload in dealing with reviews, appeals and monitoring the status of the accounts. Additional resources will be required to inspect properties where suspicions arise of bogus tenants are deemed to have occupied a property to avoid the premium applied. The cost of the employee could be funded from the additional revenue raised.

Legal impact

There are no legal impacts arising from this report. These actions are permissible pursuant to the legislation detailed above.

Risk management

Risks will be managed and mitigated as noted below –

Risk: The main risk associated with the implication of premiums will be the increase in non-compliance, with some taxpayers actively trying to avoid the new charges by providing incorrect information to the Council.

Mitigation: The Council already has processes and procedures in place in order to ensure that all charges are applied correctly. Further compliance procedures will be established to ensure that the new long term empty and second home premiums are applied in accordance with the legislation and the Council's requirement.

Risk: That a premium is incorrectly applied.

Mitigation: All affected owners will be contacted in advance of the implementation of a premium to ensure their property does not fall into the “exempt” category and that application of the premium is appropriate.

Consultation

There is no requirement for further consultation.

Recommendations

It is recommended that “Having given due regard to the Full Integrated Impact Assessment that the implementation of the Council Tax Premium at 100% on Long Term Empty Dwellings and Second Homes from the 1st April 2025 be commended to Council for approval.

In addition that, In line with feedback from the consultation and the experiences of other Welsh Councils that have already introduced premium, it is also recommended that no premium will be charged in the following cases –

1. Where an empty property can only be accessed through a business premises and does not have a separate entrance. This category will not apply if the building is altered to remove an existing separate entrance.
2. Where a premium would be payable on a long-term empty property that is sold, the new owner will not be charged a premium for up to 6 months from the date of the sale while major building work is being carried out.

Reason for Proposed Decision

To allow council tax premiums to be charged on long term empty properties and second homes with effect from 1st April 2025.

To encourage home owners to return their properties to good use.

Implementation of Decision

The decision is proposed for implementation after consideration and approval by Council.

Appendices

Appendix 1 – Consultation responses

Appendix 2 – Full Integrated Impact Assessment

List of background papers

The Housing (Wales) Act 2014.

Council Tax (Exceptions from Higher Amount Regulations) 2015

WG Guidance on the Implementation of the Council Tax Premiums on long Term Empty homes and Second Homes in Wales.

The Council Tax (Long-term Empty Dwellings and Dwellings Occupied Periodically) (Wales) Regulations 2022.

Officer contact

Mrs Ann Hinder- Principal Council Tax Officer E-mail: a.hinder@npt.gov.uk

Mr Huw Jones – Chief Finance Officer E-mail: h.jones@npt.gov.uk

Appendix 1 – Consultation Responses

In total 433 responses were received to the consultation.

Who Responded?

Residents of the borough	309
Non-residents	124

Own a long term empty property	144
Do not own a long term empty property	283
Did not answer	6

Own a second home	132
Do not own a second home	296
Did not answer	5

Results

Question	Options	No. of responses	%
For long-term empty homes, we are proposing to raise the premium to 100% over the standard charge from 1st April 2025 (i.e. double the standard charge) Please tell us how you feel about this proposal.	Strongly Disagree	189	44%
	Disagree	35	8%
	Strongly agree	116	27%
	Agree	54	13%
	Neither agree nor disagree	22	5%
	Not sure	11	3%
For second homes, we are proposing to raise the premium to 100% over the standard charge from 1st April 2025 (i.e. double the standard charge) Please tell us how you feel about this proposal	Strongly Disagree	204	48%
	Disagree	41	10%
	Strongly agree	104	24%
	Agree	42	10%
	Neither agree nor disagree	27	6%
	Not sure	10	2%

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Question	Options	No. of responses	%
What impact do you think that an additional council tax premium on long term empty homes and second homes could have on the supply of affordable housing in Neath Port Talbot?	No impact on the supply	193	45%
	An increase in the supply	119	28%
	A decrease in the supply	62	15%
	I'm not sure / No opinion	51	12%
What impact do you think that an additional council tax premium on long term empty homes and second homes could have on the supply of property available for private rent in Neath Port Talbot?	No impact on the supply	164	38%
	An increase in the supply	114	27%
	A decrease in the supply	92	22%
	I'm not sure / No opinion	57	13%
Do you think that an additional council tax premium on long-term empty homes and second homes could have an impact on the local economy in Neath Port Talbot? This could include: <ul style="list-style-type: none"> • People visiting places or attractions in Neath Port Talbot for day visits • People visiting shops and retail outlets in Neath Port Talbot • People staying in Neath Port Talbot overnight in serviced accommodation such as hotels or bed and breakfast, self-catering properties, and caravan/camp sites 	Negative impact	176	41%
	No impact	146	34%
	Positive impact	64	15%
	I'm not sure / No opinion	44	10%
Would our Council Tax Proposals for 'second homes' and 'long-term empty properties' have an impact on you and/or your family because of your and/or their: (Age)	No	211	56%
	Yes	122	33%
	Don't know	42	11%
Would our Council Tax Proposals for 'second homes' and 'long-term empty properties' have an impact on you and/or your family because of your and/or their: (Disability)	No	252	70%
	Yes	67	19%
	Don't know	43	11%
Would our Council Tax Proposals for 'second homes' and 'long-term empty properties' have an impact on you and/or your family because of your and/or their: (Gender Reassignment)	No	298	86%
	Yes	7	2%
	Don't know	40	12%

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Question	Options	No. of responses	%
Would our Council Tax Proposals for 'second homes' and 'long-term empty properties' have an impact on you and/or your family because of your and/or their: (Marriage or Civil Partnership)	No	275	78%
	Yes	34	10%
	Don't know	42	12%
Would our Council Tax Proposals for 'second homes' and 'long-term empty properties' have an impact on you and/or your family because of your and/or their: (Pregnancy or maternity)	No	298	86%
	Yes	12	4%
	Don't know	37	11%
Would our Council Tax Proposals for 'second homes' and 'long-term empty properties' have an impact on you and/or your family because of your and/or their: (Race)	No	299	87%
	Yes	13	4%
	Don't know	33	9%
Would our Council Tax Proposals for 'second homes' and 'long-term empty properties' have an impact on you and/or your family because of your and/or their: (Religion or belief)	No	300	87%
	Yes	13	4%
	Don't know	34	9%
Would our Council Tax Proposals for 'second homes' and 'long-term empty properties' have an impact on you and/or your family because of your and/or their: (Sex)	No	297	86%
	Yes	11	3%
	Don't know	33	11%
Would our Council Tax Proposals for 'second homes' and 'long-term empty properties' have an impact on you and/or your family because of your and/or their: (Sexual orientation)	No	300	88%
	Yes	6	2%
	Don't know	36	10%
What effect do you think our Council Tax Proposals for 'second homes' and 'long-term empty properties' will have on: (People's opportunities to use the Welsh Language)	No effect	268	69%
	Negative effect	45	12%
	Positive effect	32	8%
	Don't know	43	11%
What effect do you think our Council Tax Proposals for 'second homes' and 'long-term empty properties' will have on: (Treating the Welsh language no less favorably than the English language)	No effect	267	70%
	Negative effect	37	10%
	Positive effect	30	8%

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	Don't know	50	12%
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Age Profile of respondents

Age	No. in age group	%
16-24	2	1%
25-29	13	3%
30-39	35	9%
40-49	57	14%
50-59	117	29%
60-69	103	26%
70 +	59	14%
Prefer not to say	17	4%

Welsh language data on respondents

Little or no knowledge	199	51%
Learner	105	27%
Fluent speaker and writer	36	9%
Fairly fluent speaker	25	6%
Fairly fluent speaker and writer	18	5%
Fluent speaker	9	2%

Ethnic Origin

White British	345	86%
Other	39	10%
Prefer not to say	17	4%

Sex

Male	192	48%
Female	179	45%
Prefer not to say	24	6%
Non- binary	2	1%

Sexual Orientation

Heterosexual	316	82%
Gay	11	3%
Lesbian	6	2%
Bisexual	3	1%
Prefer not to say	48	12%

Religion/belief

Christian	214	54%
No religion	124	31%

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Other	11	3%
Prefer not to say	48	12%

Nationality

Welsh	273	68%
British	75	19%
English	26	7%
Prefer not to say	17	3%
Scottish	3	1%
Irish	2	1%
Other	2	1%

Other data

Question	Options	No. of responses	%
Are you pregnant or on maternity leave?	No	367	94%
	Yes	1	0%
	Prefer not to say	23	6%
Do you consider yourself to have a disability?	No	281	70%
	Yes	76	19%
	Prefer not to say	44	11%
Is your gender the same as the sex you were registered at birth?	No	1	0%
	Yes	369	94%
	Prefer not to say	24	6%

In relation to second homes premiums there was a common theme relating to properties being used as “holiday homes / Air BnB’s”. The concern is that higher council tax charges would be passed on to the holiday maker which would make holidays in the area less affordable. This in turn would have a negative impact on local tourism and the economy.

Example for comments –

“The current level of costs to keep a holiday letting is very high and in order to encourage tourism to Wales we should be competitive to attract them to come over all year around instead. An increase of premium tax will impact negatively on stay rates and consequently less affordable rates to tourists. When a tourist come over they spend a part of the stay in many things to help out local shops and they pay tax on that.”

“Any increase would be passed on to the holiday maker, which would make them less likely to visit the NPT If the houses are furnished and lived in some of the time then they provide income in the form of tourism and support local businesses and raising the council

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tax would affect tourism and trade, if they are unfurnished and just sitting there not being used then I think raising the council tax would help would help focus the owners minds on whether to renovate, to live in, rent out or sell.”

“Landlords are selling up already and now holiday lets will be sold to so less rentals for people and less holiday makers coming to Wales has already seen a 20% drop your plans are utterly mad.”

“Second homes, rented as self-catering holiday let's would be forced to increase rental prices, no-one would want to rent if high priced, this would lead to empty property, no income for local businesses.”

“We visit our second home in the Afan Valley frequently, and also let friends and family regularly use the house to visit the area as tourists, spending money in the local economy.”

“I have lived in Glynneath for 60 years. I recently renovated the derelict house next door and now let as Airbnb. This house went up for auction and nobody wanted to buy it. The people who come and stay spend a lot of money locally. They frequent the 3 pub/ restaurants in Pontneathvaughan. They shop in Glynneath and buy food at the local takeaways. This allows local people to secure local jobs and directly links back into our economy. The money I make is also spent locally. If the council tax is increased I will be forced to sell the property. Very few local people, with the mortgage interest payments at a 25 year high will be able to afford this property. Property in the Glynneath area is not being sold as it is. Tourism has made a real difference in the last few years to our local area. This will dwindle if there is nowhere to stay. We will once again have people staying in Cardiff and travelling here for the day as they previously did. Therefore, we would, as previous, have the negative impact of people coming into the area, more traffic, and rubbish left, without having the positive benefit of this tourism.”

“Lots of people who visit this area use short term holiday let's due to cost and convenience of location, to add this 100% levy would simply make these unaffordable for the customer or non-profitable for the owner resulting in less choice and availability. We have a shortage of good quality hotels and accommodation in the area so to consider penalising these small businesses is absurd.”

“By penalising holiday homeowners, you will make it harder and less likely for us to continue - in this area We currently have a moderately busy tourism industry - why would you want to impose unnecessary difficulties on it?”

“Our second home in Neath Port Talbot is our family home (lived in by 4 generations of our family). It is occupied for approximately 5 months of the year during which time we contribute to the local economy through shopping in Neath town centre and Port Talbot, eating out and attending events eg in the Gwyn Hall and Gnoll Park. If the Council Tax is increased, we would have less disposal income to contribute to the local economy. One member of the family is disabled and therefore we would be unable to Neath Port Talbot if we did not have the second home.”

In relation to premiums on long term empty properties, a common concern expressed was that introducing premiums would unfairly impact people with individual circumstances beyond their control. Circumstances described included;

- increased costs of renovation work,

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- collapsed sales or longer than expected time spent on the sales or letting markets; • inherited property.
- being unable to meet the costs of selling or letting a property.
- having ties to the local area but being unable to live here permanently at present.
- and several other individual situations.

Example of comments –

“I fully agree with the idea of charging a premium on council tax for second homes which stand empty for long periods of time and/or are let out to provide a second income for the owners, thus reducing the number of properties available for purchase or rent by local people and pushing up prices, pricing locals out of the housing market. BUT, as someone who has an inherited property on the market, awaiting sale, I do not agree that this type of empty property should be subject to a premium rate. The council should differentiate between the different categories of "empty" homes and have different "bands" of council tax appropriate for each. My "empty" home has now been on the market for over 6 months and is now subject to full council tax, although the council supply no services to it such as bin collections etc. Why should I have to pay even more when I am trying to sell and put a property back into the housing stock? With the current state of the economy, it and many other properties remain unsold for increasingly long periods of time. It is unfair that their owners be penalised for this. It's bad enough having to pay the full 100% when it is no one's fault that the property hasn't sold within 6 months.”

“I have a 'long-term empty property'. This is not from choice but due to the state of the housing market and difficulty for buyers to obtain realistic mortgages. It has been up for sale for almost a year. I am presently paying full council tax on this property, mortgage, insurance etc. If the council tax would increase to the levels proposed I would be in financial ruin and likely have the property repossessed by the lender. I am sure others are in the same boat regarding empty properties. This is not a one size fits all. I have another property in the area which I live in.”

“I do not fall under any category you listed. Mine is down to affordability and what I can afford. I have bought a house to get on the property ladder, I had to buy a house to do up over time as I couldn't afford a house to move straight into. I have been doing this up slowly so it's affordable for me to live in permanent as my only residence as I live with my parents until I can get it completed.”

“Yes, I believe the imposing of premiums on second homes or long terms empty properties could have a detrimental effect on people's livelihoods. Myself for instance, I kept a house in lived in when I met my partner and rented it out to family originally then later to other tenants. I am now in a position where I need to sell it to cover my own mortgage ready for retirement and am currently covering the cost of the council tax and other associated house costs from my employment earnings and have no access to other funds. I do not have any other income. Therefore, the point I'd like to make is that increasing the charge made by 100 percent would have a severe detrimental effect on my ability to pay and lead to mental anxiety or possibly psychiatric difficulties. When someone is in my position making every effort to sell the property even if on the market for over a year then I feel they shouldn't be penalised by having to pay double council tax. It's not my fault the

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economy and housing market has nosedived and therefore I don't agree I should pay for the situation. I am happy to pay the actual cost."

"I think introducing a premium will stop people buying empty homes to do them up as they get charged double council tax. Young people trying to get on the ladder need help not a huge bill."

"I have a 'second home' (a converted stable which has never been anything other than a holiday let) and so would be affected by the proposal. I don't have a pension, it was a family property and is therefore a supplement my state pension. I work hard to provide visitors with a positive experience and recommend innumerable local businesses to my visitors. In addition to my 'second home', my sister and I are currently selling my mother's house which has been empty since her death in May 2020. Probate took two years to be granted and since then the property has been on the market. We are using the services of two estate agents, have reduced the asking price of the property substantially but are being told by our agents that the market is currently completely stagnant for larger properties with land. We are doing all that we can to sell the property and are extremely worried by the proposals to double the current council tax."

"It is my understanding that council tax bands are going to be changed in April 2025 so why do this the same time. I own an empty property and could afford to pay the premium as I want to keep the house (which was my mother's) for my daughter who is only 16 at present. But if the band goes up in April of 2025 then I won't be able to afford to keep paying it. I cannot make an informed decision whether to sell or not until I know if the Band will change and this is coming in the same year as you propose to charge a premium. Can't it be delayed so we know what our Band will be and how it affects my ability to pay? why do it all the same year, doesn't make sense to me"

There were limited comments that supported the introduction of council tax premiums.

Examples of comments -

"Targeting empty homes will improve communities by upgrading buildings that are, frequently, unsightly & unkempt. Additionally, being available for purchase or rent will improve community cohesion & lead to a more vibrant community & helps to address homelessness."

"Long overdue, many properties are sitting empty in the area. In long term let properties the council tax is paid by the tenant so this shouldn't impact the supply of housing, it should free up houses to be sold or let."

"People need affordable homes and I fully support additional Council Tax for empty properties and genuine second homes. However, for the sake of your tourism industry and all those people who rely upon it for work, please find a more sophisticated way of differentiating between genuine holiday lets and second homes. The ongoing uncertainty and stress among holiday let owners is already impacting on investment and will likely drive many from the country altogether."

"I believe that the 100% increase is a good start but it should be the maximum of 300/500% that the CBC is allowed to increase it by. Further maximising the economic benefits for the communities."

Appendix 2

Integrated Impact Assessment (IIA)

This Integrated Impact Assessment considers the duties and requirements of the following legislation in order to inform and ensure effective decision making and compliance:

- Equality Act 2010
- Welsh Language Standards (No.1) Regulations 2015
- Well-being of Future Generations (Wales) Act 2015
- Environment (Wales) Act 2016

Version Control

Version	Author	Job title	Date
e.g. Version 1			

1. Details of the initiative

	Title of the Initiative: Council Tax Premiums
1a	Service Area: Council Tax
1b	Directorate: Strategy and Corporate Services
1c	<p>Summary of the initiative:</p> <p>To consider the introduction of a Council Tax Premium of 100% on long term empty properties and second homes as provided for by the Housing (Wales) Act 2014.</p>

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1d	<p>Is this a ‘strategic decision’?</p> <p>The decision will support the Council’s strategic housing policy by returning long term properties back into beneficial use</p>
1e	<p>Who will be directly affected by this initiative?</p> <p>Taxpayers liable for Council Tax on long term empty properties and second homes.</p>
1f	<p>When and how were people consulted?</p> <p>The methodology used for consultation was coordinated by the Communications Team, in partnership with colleagues from Revenues and Benefits.</p> <p>An online survey was designed using Snap Survey questionnaire software.</p> <p>Residents were directed to this survey via:</p> <ul style="list-style-type: none"> • The Council’s dedicated Consultation page. • The Council’s corporate social media pages, namely Facebook and Twitter • A direct mail out to all owners of empty properties and second homes. These includes private and social landlords. <p>Updates reminding residents of the consultation were shared periodically to our social media pages via posts.</p> <p>Staff were made aware of the consultation via SWAY to increase engagement.</p> <p>The consultation ran for a period of 13 weeks from the 1st August 2023 to the 31st October 2023.</p> <p>A paper version of the consultation was also available for those who required it.</p>
1g	<p>What were the outcomes of the consultation?</p> <p>The majority of responders disagreed that a 100% council tax premium should be imposed on long term empty properties and second homes.</p>

2. Evidence

What evidence was used in assessing the initiative?
The proposal has been subject to public consultation.

3. Equalities

a) How does the initiative impact on people who share a **protected characteristic**?

Protected Characteristic	+	-	+/-	Why will it have this impact?
Age				Liability to council tax is assessed in accordance with existing statute and this will not change on the grounds of age.
Disability				Liability to council tax is assessed in accordance with existing statute and this will not change on the grounds of disability.
Gender reassignment				Liability to council tax is assessed in accordance with existing statute and this will not change on the grounds of gender reassignment.
Marriage & civil partnership				Liability to council tax is assessed in accordance with existing statute and this will not change on the grounds of marital status.

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Pregnancy and maternity				Liability to council tax is assessed in accordance with existing statute and this will not change on the grounds of pregnancy/maternity.
Race				Liability to council tax is assessed in accordance with existing statute and this will not change on the grounds of race.
Religion or belief				Liability to council tax is assessed in accordance with existing statute and this will not change on the grounds of religion or beliefs.
Sex				Liability to council tax is assessed in accordance with existing statute and this will not change on the grounds of sex
Sexual orientation				Liability to council tax is assessed in accordance with existing statute and this will not change on the grounds of sexual orientation.

What action will be taken to improve positive or mitigate negative impacts?
Officers work proactively to incentivise owners in bringing back their properties back into use and this proposal will aid in reducing the number of empty homes and associated problems.

b) How will the initiative assist or inhibit the ability to meet the **Public Sector Equality Duty**?

Public Sector Equality Duty (PSED)	+	-	+/-	Why will it have this impact?
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To eliminate discrimination, harassment and victimisation				N/A
To advance equality of opportunity between different groups				N/A
To foster good relations between different groups				N/A

What action will be taken to improve positive or mitigate negative impacts?

4. Socio Economic Duty

Impact	Details of the impact/advantage/disadvantage
Positive/Advantage	No impact
Negative/Disadvantage	No impact

Neutral	No impact
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What action will be taken to reduce inequality of outcome
N/A

5. Community Cohesion/Social Exclusion/Poverty

	+	-	+/-	Why will it have this impact?
Community Cohesion				No impact
Social Exclusion				No impact
Poverty				No impact

What action will be taken to improve positive or mitigate negative impacts?
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N/A

6. Welsh

	+	-	+/-	Why will it have this effect?
What effect does the initiative have on: - people's opportunities to use the Welsh language	Y			The scheme allows Welsh speaking communities to stay together thus providing opportunities for people to continue to use the Welsh Language on a day-to-day basis
- treating the Welsh and English languages equally		Y		

What action will be taken to improve positive or mitigate negative impacts?

N/A

7. Biodiversity

How will the initiative assist or inhibit the ability to meet the **Biodiversity Duty**?

Biodiversity Duty	+	-	+/-	Why will it have this impact?
To maintain and enhance biodiversity			Y	<p>There is no direct impact of this initiative on maintaining and enhancing biodiversity. However there could be a low, indirect impact if the initiative brings empty properties back into use as it could impact on biodiversity which may be using empty properties e.g. bats / nesting birds. It is the homeowner’s responsibility to ensure that biodiversity is not negatively impacted.</p> <p>Bringing empty homes back into use will provide refurbished buildings which meet higher energy efficiency standards and could possibly support wildlife and biodiversity.</p>
To promote the resilience of ecosystems, i.e. supporting protection of the wider environment, such as air quality, flood alleviation, etc.			Y	<p>By reducing the number of empty properties, it is expected that there will be less need to build new properties, thus utilising less green space and the associated carbon footprint of the building effort itself.</p> <p>Bringing empty homes back into use will provide refurbished buildings which meet higher energy efficiency standards and contribute to a transition of lower carbon operations and communities.</p>

What action will be taken to improve positive or mitigate negative impacts?
N/A

8. Well-being of Future Generations

How have the five ways of working been applied in the development of the initiative?

Ways of Working	Details
i. Long term – looking at least 10 years (and up to 25 years) ahead	The proposals should help with the long term provision of housing in the County Borough
ii. Prevention – preventing problems occurring or getting worse	The proposals should prevent some of the problems associated with long term empty properties
iii. Collaboration – working with other services internal or external	N/A

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iv. Involvement – involving people, ensuring they reflect the diversity of the population	The proposals have been subject to public consultation
v. Integration – making connections to maximise contribution to:	The proposal will assist the Council's housing and homelessness team and Environmental Health team
Council's well-being objectives	The proposal will help contribute towards the Council well being objective of ensuring that All communities are thriving and sustainable
Other public bodies objectives	

9. Monitoring Arrangements

Provide information on the monitoring arrangements to:

Monitor the impact of the initiative on Equalities, Community Cohesion, the Welsh Measure, Biodiversity Duty and the Wellbeing Objectives.

N/A

10. Assessment Conclusions

Please provide details of the conclusions reached in relation to each element of the assessment:

	Conclusion
Equalities	No impact as council tax will be administered in line with existing statute
Socio Economic Disadvantage	No impact as council tax will be administered in line with existing statute
Community Cohesion/ Social Exclusion/Poverty	No impact as council tax will be administered in line with existing statute
Welsh	No impact as council tax will be administered in line with existing statute
Biodiversity	No impact as council tax will be administered in line with existing statute
Well-being of Future Generations	No impact as council tax will be administered in line with existing statute

Overall Conclusion

Please indicate the conclusion reached:

- **Continue** - as planned as no problems and all opportunities have been maximised
- **Make adjustments** - as potential problems/missed opportunities/negative impacts have been identified along with mitigating actions
- **Justification** - for continuing with the initiative even though there is a potential for negative impacts or missed opportunities
- **STOP** - redraft the initiative as actual or potential unlawful discrimination has been identified

No impact as council tax will be administered in line with existing statute

Please provide details of the overall conclusion reached in relation to the initiative

11. Actions

What actions are required in relation to obtaining further data/information, to reduce or remove negative impacts or improve positive impacts?

Action	Who will be responsible for seeing it is done?	When will it be done by?	How will we know we have achieved our objective?
N/A			

12. Sign off

	Name	Position	Date
Completed by	Ann Hinder	Principal Council Tax Officer	8 th March 2024
Signed off by	Huw Jones	Chief Finance Officer	8 th March 2024