

CYNGOR SIR POWYS COUNTY COUNCIL.

**CABINET EXECUTIVE
15th September 2020**

REPORT AUTHOR: County Councillor Aled Davies
Portfolio Holder for Finance

REPORT TITLE: Consultation Decision for Long Term Empty Property
Premium Increase

REPORT FOR: Decision

1. Purpose

- 1.1 The report purpose is to advise Cabinet of the current situation around the Council Tax premium for long term empty properties and the potential for further financial incentives around these properties.
- 1.2 The report is also seeking approval of Cabinet to understand the views of Powys Citizens and other stakeholders via a consultation process.

2. Background

- 2.1 At the Council meeting on the 9th March 2016, Members resolved to introduce a Council Tax premium of 50% for: -
- Properties that were periodically occupied and furnished (called second homes) and,
 - Properties that were long term empty. (a long-term empty property is one that is unfurnished and unoccupied for a period exceeding one year.)
- 2.2 Regulations allow for a premium of up to 100% to be charged, seeing a total charge to the liable party of 200%.
- 2.3 The policy intention of introducing the premium was to increase housing stock available within communities. The table below shows actual number of long-term empty properties as of April for each financial year since the introduction of the premium:

Date	No: long-term empty properties
April 2017	1,060
April 2018	862
April 2019	990
April 2020	996

- 2.4 The above data shows initially following the introduction of the 50% premium there was a reduction in year one, but since April 2018 the number of long-term empty properties have gradually increased year on year.
- 2.5 The following table details the length of time properties has been empty. As can be seen from the table, the number of homes that remain empty for some years remains high.

Years Empty	No: Properties
1 to 2	356
2 to 3	189
3 to 4	108
4 to 5	50
5 to 6	58
6 to 7	41
7 to 8	24
8 to 9	25
9 to 10	18
10 years and over	124

3. Advice

- 3.1 The policy intention was to encourage empty homes back into use. As this has not been effective in some cases, it is time to explore further options for term empty properties to encourage owners to bring them back into use.
- 3.2 One of the incentives could be that the premium on long term empty homes is increased to encourage property owners to do so.
- 3.3 The Council recognises in certain instances properties may require repair and renovation works in order to become available for sale/let or to move into as a main residence and this can take time due to resources and finances of the individuals.
- 3.4 Therefore the premium can be graduated and increase as the length of time that the property has been empty increases, for instance the 50% premium could be applied once property empty for one year and then increase to say 100% once empty for a continuous period 3 or 5 years.
- 3.5 Before considering this proposal fully, it is appropriate to undertake a consultation to gather the views and opinions of stakeholders and the Council Taxpayers, including owners of empty premises, to understand why properties are empty and what is preventing occupation.
- 3.6 This report therefore seeks Cabinet approval to undertake consultation and then to consider the option of increasing the premium if appropriate.

- 3.7 From a Housing Services perspective, this proposal is very welcomed and should enable the authority to establish a far better understanding of the problem, thereby facilitating a more strategic and targeted approach to effectively tackle the issue locally.

4. Resource Implications

- 4.1 There are no resource implications at this stage.
- 4.2 The Section 151 Officer confirms approval of this report to undertake the consultation stage, and gauge views on a further rise to the empty home premium.

5. Legal implications

- 5.1 Legal : The recommendation can be supported from a legal point of view
- 5.2 The Head of Legal and Democratic Services (Monitoring Officer) has commented as follows: “ I note the legal comment and have nothing to add to the report”.

6. Data Protection

- 6.1 This does not involve the processing of personal data.

7. Comment from local member(s)

- 7.1 Not applicable.

8. Integrated Impact Assessment

- 8.1 Not applicable

9. Recommendation

- 9.1 It is recommended that Cabinet allow a consultation process to seek views of taxpayers and stakeholders to inform a potential premium increase of long-term empty homes.

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