

Report to: Council



Date of Meeting 21 February 2024

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Exemption applied: None

Review date for release N/A

Report of the Cabinet – Item for Decision: Council Tax Charges for Second Homes and Empty Properties

Report summary:

This report sets out the Cabinet recommendation arising from their consideration of the report at Cabinet on 31 January 2024.

Note: The references in this report to Paper A relate to the relevant report considered by the Cabinet containing specific recommendations for Full Council to consider and are appended to this report for reference.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

To approve the implementation of the following:

1. The application of the current premium of 100% for all dwellings which are unoccupied and substantially unfurnished (empty dwellings) from a period of one year with effect from 1 April 2024 unless subject to an exception introduced by government;
2. The application of a premium of 100% for all dwellings which are unoccupied but substantially furnished (second homes) from 1 April 2025 unless subject to an exception introduced by government; and
3. The Assistant Director responsible for Council Tax is given delegated powers to implement the changes in line with the Council's requirements and any guidance given by the Secretary of State or by regulation.
4. To agree to the principle that the additional funds generated by the changes to second homes Council Tax premiums is ring fenced across the Devon wide system of preceptors to address the housing challenges.
5. Subject to recommendation 4 the Council agrees to ringfence the additional income attributable to East Devon District Council's proportion of the Council Tax charge (as referenced in section 9) to address the housing challenges.
6. Subject to recommendation 5 being approved the Council will review the decision to ringfence the funding in 2029 (4 years from when the premium starts).

Reason for recommendation:

The change in policy is primarily designed to encourage taxpayers to use premises as their main residence or allow others to use it as a main residence. It is hoped that this change will allow more empty dwellings and unoccupied dwellings to be brought back into use for the local community.

Should the primary purpose not achieve these aims then the additional premiums being levied will result in additional funding to the collection fund which is collected on behalf of preceptors. The recommendation is for Members to agree to the principle that this additional funding should be ringfenced across the Devon wide system of preceptors to addressing housing challenges as set out in part 2 of this report.

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