

Draft – Welsh Government Consultation on Council Tax for Long Term Empty Homes

What are your views on whether the Housing Bill should include a power to allow local authorities in Wales the discretion to charge more than the standard full rate of council tax on long-term empty properties?

Members of the Council would support the proposals as laid out in the consultation document and agree that the Housing Bill should allow for local authorities to vary council tax on long term empty properties.

How long should a property be empty before a local authority is able to use this additional discretion and charge greater than the standard full rate of council tax?

It would be proportionate and appropriate to allow local authorities the discretion to charge additional council tax (above the standard rate) after a period of 12 months of a property being treated as a long term empty dwelling.

This will ensure fairness to taxpayers, and from a Flintshire prospective, could help to develop a progressive approach to taxation. For example, this could, in theory, result in owners receiving a full exemption for the first 6 months, a full charge between 6-12 months and potentially an year on year increase beyond 12 months, up to a maximum of 200% charge. The Council would consider the extent of the local housing shortage and local priorities when implementing a local scheme.

In order to reduce the scope for tax avoidance, should a long-term empty property no longer have to be unfurnished?

The Council would support any change in regulations to reduce the possibility of tax avoidance which would ultimately only serve to undermine the purpose of the proposed changes in getting more empty homes back into full use.

If so, how can we ensure that the legislation distinguishes between empty properties and second homes?

Officers would welcome the opportunity to work with the Welsh Government via the Local Taxation Working Group forum, to determine the best way to re-draft regulations, especially to ensure that any regulations amendments can distinguish between long term empty properties and second homes.

Should a maximum percentage be set for the additional council tax which local authorities may levy on long-term empty properties in order to protect taxpayers from unreasonable levels? If so, what should the maximum level be?

Members of the Council would support the idea of extending the maximum level of Council Tax at 200%. The Council would be mindful of the potential impact this could have on individual taxpayers and this would be taken into account when designing a local scheme. For example, the Council could possibly consider taking a staged, progressive approach, introducing a phased year-on-year increase over the standard level. Such discussions would take place, at a local level, with member involvement, if the consultation proposals are implemented by the Welsh Government.

Should local authorities be able to apply different levels of the additional council tax levy in different geographical areas of their authority?

Members would welcome the provision to apply additional council tax by different levels by geographic area, although the Council would need to ensure the all taxpayers were treated consistently and fairly if the provision was ever used.

Should the legislation include additional exemptions to accompany any power to levy additional council tax on empty homes to take account of particular factors? If so, what should such exemptions cover?

The Council believes that the current list of exemptions are sufficient to cover most circumstances where charging council would not be appropriate, for example where the owner is currently in a residential care home.