

## NORTH DEVON COUNCIL

Report To/Date: Strategy and Resources 1 March 2021

Topic: Council Tax Discounts

Report by: Revenues and Benefits Manager

### 1. INTRODUCTION

1.1. The report seeks to confirm Council Tax Discounts relating to certain properties for the financial year commencing 1 April 2021.

### 2. RECOMMENDATIONS

2.1. That members recommend the Council makes the following determinations in relation to the classes of dwellings set out below for the financial year commencing 1 April 2021:-

2.2. Class A and Class B Unoccupied and furnished properties  
Set a 0% discount, therefore levying full council tax.

2.3. Classes A and B do not include any dwelling –

- a) Which consists of a pitch occupied by a caravan or a mooring occupied by a boat.
- b) Where a qualifying person in relation to that dwelling is a qualifying person in relation to another dwelling in England, Wales or Scotland which is job related.
- c) Which for a qualifying person is job related where that person is a qualifying person in relation to another dwelling in England, Wales or Scotland.

2.4. Class C Unoccupied and substantially unfurnished properties  
Set a discount of 100%, for up to three months.

2.5. For the purpose of Class C, in considering whether a dwelling has been unoccupied for any period, any one period, not exceeding six weeks, during which it was occupied shall be disregarded.



- 2.6. Properties which have been unoccupied and substantially unfurnished for over two years, levy the empty home premium of 200% of the normal liability.
- 2.7. Properties which have been unoccupied and substantially unfurnished for over five years, levy the empty home premium of 300% of the normal liability.
- 2.8. Properties which have been unoccupied and substantially unfurnished for over ten years, levy the empty home premium of 400% of the normal liability.

### 3. REASONS FOR RECOMMENDATIONS

- 3.1. To approve the level of discounts to certain properties for the financial year commencing 1 April 2021.

### 4. REPORT

- 4.1. The determinations are made by North Devon District Council for the financial year 2021/22.
- 4.2. They are made under its powers contained in The Local Government Finance Act 2012 and the Council Tax (Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012 (SI 2012/2964).
- 4.3. Section 12 (2) of the Local Government Finance Act 2012 allows local authorities to set a council tax rate for long term empty properties of up to 200% of the normal liability. A 'long term empty property' must have been unoccupied and substantially unfurnished for at least two years.
- 4.4. From 1 April 2020 the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 enabled Councils to charge a maximum of 300% of the normal liability against property that has been unoccupied and unfurnished for at least 5 years. This charge was approved by members and applied last year.
- 4.5. From 1 April 2021 the Act also enables Councils to charge a maximum of 400% of the normal liability against property that has been unoccupied and unfurnished for at least 10 years. The introduction of this new charge from 1 April 2021 was also approved by members last year.
- 4.6. Government confirms that billing authorities are free to make their own decisions when administering these premiums. They advise that billing authorities should decide whether or not properties that are available for sale or rent, and which are being actively marketed, should be excluded from the

additional charges. Because there is no legal definition of being 'actively marketed', and for the avoidance of legal challenge, the recommendations above apply to **all** properties which are unoccupied and unfurnished as they have been in previous years.

4.7. This report is to confirm the discounts and levy for the financial year commencing 1 April 2021.

- Class A and Class B (unoccupied and furnished) – discount of 0%.
- Class C (unoccupied and substantially unfurnished) – discount of 100% for up to three months) For the purpose of Class C, in considering whether a dwelling has been unoccupied for any period, any one period, not exceeding six weeks, during, which it was occupied shall be disregarded.
- Long term empty properties (unoccupied and substantially unfurnished for at least two years – set a council tax rate of 200% of the normal liability.
- Long term empty properties (unoccupied and substantially unfurnished for at least five years – set a council tax rate of 300% of the normal liability.
- Long term empty properties (unoccupied and substantially unfurnished for at least ten years – set a council tax rate of 400% of the normal liability.

## 5. RESOURCE IMPLICATIONS

5.1. There are no additional resource implications.

## 6. EQUALITIES ASSESSMENT

6.1. EIA attached at Appendix A.

## 7. CONSTITUTIONAL CONTEXT

7.1. Article or Appendix and paragraph: 4.1 (b) ii and 4.2 (e) iii

7.2. Referred power



## 8. STATEMENT OF CONFIDENTIALITY

8.1. This report contains no confidential information or exempt information under the provisions of Schedule 12A of 1972 Act.

## 9. BACKGROUND PAPERS

9.1. The background papers are available for inspection and kept by the author of the report.

## 10. STATEMENT OF INTERNAL ADVICE

10.1. The author (below) confirms that advice has been taken from all appropriate Councillors and Officers:  
Julie Dark Revenues and Benefits Manager

Reference:

Gov.uk Council Tax Second Homes and Empty Properties

Gov.uk: Council Tax empty homes premium; guidance for properties or sale and letting