

### **Council Tax Discounts - Empty Properties**

Rossendale Borough Council is delivering an action plan to improve the standard of living across the district by tackling the number of homes that are standing empty in the borough.

Empty homes have a financial impact on the local area. Empty homes can be targeted for vandalism and can quickly become a dumping ground for rubbish. So, not only does the empty home owner lose potential income from letting or selling the property, an empty home also affects the value of surrounding properties.

The Government is giving local Councils more discretion in relation to Council Tax from 1 April 2013, so that Councils can ensure that the Council Tax scheme supports local priorities. As part of this, Councils will be able to change the level of Council Tax discounts and exemptions that they allow on empty properties and second homes. The changes will affect those currently in receipt of these discounts and exemptions as well as new cases from April.

Any changes to the discounts and exemptions for empty homes and second homes will bring in additional Council Tax revenue to help protect local services at a time when national funding for Local Authorities is being withdrawn.

We think that there are some changes on empty properties and second home Council Tax discounts that will support our aim to turn empty properties into homes that people value. We would like your views on these proposed changes.

Please do take the time to have your say. The survey will take no longer than 10 minutes to complete. The deadline for responses is 26th January 2014.

### What are we considering?

- 1. Ending the Council Tax exemption for properties that are empty for up to six months and replacing it with a 50% discount.
- 2. Ending the Council Tax exemption on empty properties that are undergoing major structural repair and replacing it with a 50% discount for up to 12 months.
- 3. Ending the 10% discount on second homes which are furnished and unoccupied.
- 4. Introducing an additional 50% Council Tax charge for properties that have been empty for over 2 years. This means that owners of all properties that have been empty for over 2 years will have to pay 150% Council Tax for these properties.

Proposal 1: Ending the Council Tax exemption for properties that are empty for up to six months and replacing it with a 50% discount

Q1 Currently a property owner has no Council Tax to pay for six months after the property becomes empty and unfurnished. We think that this should be replaced with a 50% discount.

Current Exemption	Proposed Discount	Proposed Council Tax Payable from 1.4.2014
0-6 months 100%	0-6 months 50%	50%

#### To what extent do you agree or disagree with this proposal?

21.9% Strongly agree 16.0% Disagree 2.2% Don't know

22.3% Agree 37.6% Strongly disagree

Q2 What direct impact, if any, will this proposal have on you?

25.1% Big impact 15.4% Some impact 15.8% Very little impact 43.6% No impact at all

Q3 Please enter any comments or alternative proposals you would like to make about Council Tax on homes that are empty and unfurnished.

100.0%

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Proposal 2: Ending the Council Tax exemption on empty properties that are undergoing major structural repair and replacing it with a 50% discount for up to 12 months

Q4 Currently a property owner has no Council Tax to pay for up to 12 months when a property is empty and undergoing major structural repair. We think that this should be replaced with a 50% discount.

Current Discount	Proposed Discount	Proposed Council Tax Payable from 1.4.2014
0-12 months 100%	0-12 months 50%	50%

#### To what extent do you agree or disagree with this proposal?

20.8% Strongly agree 18.3% Disagree 3.3% Don't know

22.0% Agree 35.6% Strongly disagree

Q5 What direct impact, if any, will this proposal have on you?

17.4% Big impact 10.5% Some impact 19.2% Very little impact 52.9% No impact at all

Q6 Please enter any comments or alternative proposals you would like to make about Council Tax on homes undergoing major structural repair.

100.0%

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# Proposal 3: Ending the 10% discount on second homes which are furnished and unoccupied

Q7 Currently owners of second homes which are furnished and unoccupied receive a 10% Council Tax discount. We think that this discount should be removed and they should pay full Council Tax.

Current Discount	Proposed Discount	Proposed Council Tax Payable from 1.4.2014
10%	0%	100%

To what extent do you agree or disagree with this proposal?

36.7% Strongly agree 12.4% Disagree 5.8% Don't know

27.6% Agree 17.4% Strongly disagree

Q8 What direct impact, if any, will this proposal have on you?

11.1% Big impact 6.9% Some impact 14.8% Very little impact 67.2% No impact at all

Q9 Please enter any comments or alternative proposals you would like to make about Council Tax on second homes which are furnished and unoccupied.

100.0%

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# Proposal 4: Introducing an additional 50% Council Tax charge for properties that have been empty for over 2 years

Q10 When a property has been empty for 2 years or more, the Council is considering applying an Empty Homes Premium of 50%.

Current Discount	Proposed Premium	Proposed Council Tax Payable from 1.4.2014
0%	50%	150%

To what extent do you agree or disagree with this proposal?

30.0% Strongly agree 11.5% Disagree 7.6% Don't know

23.9% Agree 27.0% Strongly disagree

Q11 What direct impact, if any, will this proposal have on you?

15.5% Big impact 10.1% Some impact 16.5% Very little impact 57.9% No impact at all

Q12 We believe that having to pay more Council Tax will encourage owners to bring such properties up to standard and back into use more quickly. Do you...?

28.0% Strongly agree 16.6% Disagree 7.5% Don't know

29.9% Agree 18.0% Strongly disagree

Q13 Please enter any comments or alternative proposals you would like to make about Council Tax on homes that have been empty for 2 years or more.

100.0%

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The following questions are entirely optional but your responses will be really useful in helping us understand if there are any groups in the community who are more likely to be affected by the proposals. Your responses will be anonymous and confidential. The data will be used for analysis purposes only and will not be passed to any other third party.

#### Q14 In what capacity are you answering this questionnaire?

0.0% Estate Agency / Letting Agency

1.1% Housing Association

76.1% Home owner

18.1% A private landlord

4.7% Tenant

100.0% Other (please state)

Q15 If you are responsible for an empty property, which of the following describes why your property is empty?

25.8% Waiting for new tenants 31.6% On the market for sale 32.9% Being renovated /repaired

9.7% Needs renovation /repair - work not started

100.0%

Other (please state)

Q16 Which age group do you fall into?

0.0% Under 20 years 7.0% 30-39 21.3% 50-59 16.7% 70+ years

1.7% 20-29 21.3% 40-49 29.8% 60-69 2.3% Prefer not to say

Q17 Please use this space for any other comments you would like to make about these Council Tax changes.

100.0%

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Thank you for taking the time to share your thoughts on our proposals. Please click the 'submit' button below to send us your thoughts.

Findings will be available by 12th February 2014 at <a href="www.rossendale.gov.uk/haveyoursay">www.rossendale.gov.uk/haveyoursay</a>.