

Dear Members

### **Cabinet**

A meeting of the Cabinet will be held on **Thursday 8 February 2024** at **6.30pm** in the **Craddock Room, Civic Centre, Riverside, Stafford** to deal with the business as set out on the agenda.

Please note that this meeting will be recorded.

Members are reminded that contact officers are shown at the top of each report and members are welcome to raise questions etc in advance of the meeting with the appropriate officer.



Head of Law and Governance

## **CABINET - 8 FEBRUARY 2024**

**Chair - Councillor A T A Godfrey**

### **AGENDA**

- 1 Minutes of 18 January 2024 as circulated and published on 19 January 2024
- 2 Apologies
- 3 Councillors' Question Time (if any)
- 4 Proposals of the Cabinet Members (as follows):-

	<b>Page Nos</b>
<b>(a) COMMUNITY PORTFOLIO</b>	
(i) Funding for Voluntary Sector Organisations	3 - 6
(ii) Permission to Spend - Stafford	7 - 11
(iii) Permission to Spend - Hotel Accommodation, Stafford	12 - 15
<b>(b) RESOURCES PORTFOLIO</b>	
(i) Council Tax Charges in Respect of Unoccupied Dwellings	16 - 25

### **Membership**

**Chair - Councillor A T A Godfrey**

A T A Godfrey	- Leader
R Kenney	- Deputy Leader
A N Pearce	- Climate Change Portfolio
J Hood	- Community Portfolio
A F Reid	- Economic Development and Planning Portfolio
I D Fordham	- Environment Portfolio
G P K Pardesi	- Leisure Portfolio
R P Cooke	- Resources Portfolio

## Agenda Item 4(a)i

# Funding for Voluntary Sector Organisations

<b>Committee:</b>	Cabinet
<b>Date of Meeting:</b>	8 February 2024
<b>Report of:</b>	Head of Wellbeing
<b>Portfolio:</b>	Community Portfolio

---

## 1 Purpose of Report

- 1.1 To approve the extension of support given by the Council to voluntary sector organisations for a 12 month period commencing from April 2024. During which time a review will be undertaken of the authority’s approach to supporting the voluntary sector.

## 2 Recommendations

- 2.1 To approve the spend of £130,250 enable the extension of current grant agreements for a further year.
- 2.2 To require officers to carry out a review of the approach to supporting the voluntary sector and, working with the sector to deliver the Council’s corporate objectives.

### Reasons for Recommendations

- 2. The Council have a long history of supporting the voluntary sector and working in partnership with them to deliver the Council’s objectives. It is important that this close working continues. With the current grant agreements due to end in March 2024, it is an opportune time to review the arrangements currently in place. In order for the organisations currently receiving funding from the Council to be able to continue their excellent work, it is recommended that the existing agreements are extended for a further year which this review is completed.

### **3 Key Issues**

- 3.1 The council recognises the value and significant contribution that the voluntary and community sector provide to our communities and the role they play in supporting the delivery of our corporate objectives. To facilitate this working, the Council has been providing financial support to seven community and voluntary sector organisations with grants totalling £130,250 per year for the past 4 years to help them provide these vital services. The councils ongoing investment would enable the sector to continue adding value. All the organisations funded have delivered in line with their grant agreements over the past 4 years.
- 3.2 The current agreements are all scheduled to terminate on 31 March 2024. Good governance would suggest a review of these grants at this stage and it is recommended that this review is carried out in 2024/25.
- 3.3 In order to continue to support our communities and the organisations that provide vital services to them, it is fair to extend the current agreements for one year while this review is carried out.

### **4 Relationship to Corporate Priorities**

- 4.1 This supports the delivery of Corporate Business Objective 2, "To improve the quality of life of local people by providing a safe, clean attractive place to live and work and encouraging people to be engaged in developing strong communities that promote health and wellbeing".

### **5 Report Detail**

- 5.1 The council has provided support to the voluntary sector for a number of years now through a variety of different sources which includes:
- (a) **Events**

Putting on events such as Stafford in the World and the Community Awards, to recognise the work of the voluntary sector and volunteers.
  - (b) **Commissioning**

Commissioning of local projects that support the delivery of corporate business objectives.
  - (c) **Provision of financial support**

Direct support of seven voluntary sector organisations with grants totalling £130,250 per annum. Six organisations have grant agreements with the Council which are monitored on a quarterly basis, and one organisation administers two grant schemes on behalf of the Council. Detailed support is as follows:-

- Citizens Advice Bureau - £60,000
- Support Staffordshire - Stafford District - £22,250
- Staffordshire Women's Aid - £15,000
- Stafford District Art's Council - £10,000
- Katharine House Hospice - £3,500
- Douglas MacMillan Hospice - £2,500
- Stafford Borough Small Grants Scheme - £10,000 (administered by the Community Foundation)
- Stafford Borough Sports Grants Scheme - £7,000 (administered by the Community Foundation)

5.2 The last 4 years has seen significant challenges for residents and the voluntary sector in Stafford Borough. The Covid pandemic impacted on everyone and for many people continues to do so and significant challenges have been brought on communities by the increased cost of living. It is only right that the Council reviews the way it works with and supports those organisations who provide important services to communities and help to deliver the priorities of the Council.

5.3 While this review is carried out, extending these grants for 1 year will ensure key services can continue to be delivered pending longer-term decisions how best to allocate funding in the future.

5.4 Recommendations on a fair and consistent approach to grant allocation will be brought back to Cabinet following this review.

## **6 Implications**

### **6.1 Financial**

None

### **6.2 Legal**

None

### **6.3 Human Resources**

None

### **6.4 Risk Management**

None

### **6.5 Equalities and Diversity**

None

**6.6 Health**

None

**6.7 Climate Change**

None

**7 Appendices**

None

**8 Previous Consideration**

None

**9 Background Papers**

None

**Contact Officer:** Victoria Cooper

**Telephone Number:** 01785 619385

**Ward Interest:** Nil

**Report Track:** Cabinet 8 February 2024 (Only)

**Key Decision:** Yes

**Agenda Item 4(a)ii****Permission to Spend - Stafford**

<b>Committee:</b>	Cabinet
<b>Date of Meeting:</b>	8 February 2024
<b>Report of:</b>	Head of Wellbeing
<b>Portfolio:</b>	Community Portfolio

---

**1 Purpose of Report**

- 1.1 This report is requesting permission to spend the funding award of Contain Outbreak Management Funds allocated by Staffordshire County Council via the Health Inequalities Directors' Group (HIDG) to tackle health inequalities in the borough.

**2 Recommendations**

- 2.1 That Cabinet give permission to spend the £193,833 funding allocated to Stafford Borough Council in relation to 4 separate projects, identified to deliver interventions in housing and health hot spot areas and strengthening existing health and wellbeing programmes.
- 2.2 That Cabinet delegates to the Head of Wellbeing in consultation with the Cabinet member the detailed split of the funding, based on the four projects proposed:
- a) Proactive Housing Repair Service.
  - b) Right Stuff Boxing trauma informed approach for children at risk of exclusion.
  - c) Station Gateway Health Impact Assessment.
  - d) Vaping and e-cigarettes reducing use by children and young people.

**Reasons for Recommendations**

- 2.3 Funding has been allocated by the Health Inequalities Directors Group (HIDG), to ensure that local public health priorities are met. The projects proposed will demonstrate a measurable impact on reducing health inequalities in line with HIDG priorities and in defined hot spot areas. The funding presents an opportunity to deliver new and bolster existing initiatives and this report is seeking permission to spend that funding.

### **3 Key Issues**

- 3.1 Contain Outbreak Management Funds (COMF) must address local priorities and reduce health inequalities. A portion of the funding will be used for new initiatives which are complementary to existing work on housing and health taking place in the Borough. Funded projects will have a positive impact on adults and families in the housing and health hot-spot areas most significantly affected by health inequalities.
- 3.2 Funding will be used in part to expand existing health and wellbeing related work that has supported children and young people in relation to mental health and anti-social behaviour.

### **4 Relationship to Corporate Priorities**

- 4.1 This supports the delivery of Corporate Business Objective 2, “To improve the quality of life of local people by providing a safe, clean attractive place to live and work and encouraging people to be engaged in developing strong communities that promote health and wellbeing”.

### **5 Report Detail**

- 5.1 The HIDG have created opportunities for districts/boroughs to utilise some of the remaining COMF money held by Staffordshire County Council (SCC) to tackle health inequalities.
- 5.2 Each of the proposed projects will work alongside and in partnership with existing services provided by the Borough Council, with partner agencies and the local voluntary, charitable and social enterprise communities.
- 5.3 Funding must be spent by September 2024; unspent funds will be requested to be returned. Due to the short-term nature of the funding and relatively short period to apply for funding, the projects were chosen because they were already successful initiatives that could be extended, they were relatively quick to set up, or, similar projects had been tested and proven successful previously. A summary of each project is included as follows:
- 5.4 A targeted, proactive home repair service for people living in poor health and on a low income will be offered in hot-spot areas. By completing small jobs for people who otherwise would not be able to carry out repairs themselves nor find a trusted source who could, we can actively address health inequalities by improving their standard of living through the safety, warmth, and security of their home. The aim of each intervention will be that the resident has their immediate need met and are subsequently encouraged to engage with additional services that will further improve health and wellbeing outcomes. These improvements will in turn reduce demand for emergency hospital



admissions, speed up hospital discharge, postpone entry into residential care or reduce the costs of care at home.

- 5.4.1 This project will be match-funded using the Disabled Facilities Grant (DFG) for capital works; DFG funding will be contributed from previous years' allocation which was historically underspent. COMF funding will be used for works delivered up to September 2024 and to secure resources such as officer time. The off-setting of agreed salary budgets which can be rolled forward, will extend the project coordination, administration and engagement with partners beyond September 2024.
- 5.5 Working with The Right Stuff Project and selected schools in the Borough to achieve trauma informed status, we will improve mental, physical, and academic outcomes for their students. Trauma-informed practice originates from approaches developed in the fields of medicine and mental health, allowing practitioners to sensitively support people with traumatic histories. Trauma informed status will enable these schools to tackle health inequalities and embed a long-term sustainable model of support.
  - 5.5.1 Each school involved in the project will be asked to commit to three years of delivery; the funding will be used to purchase training resources which can be used through these three years. The funding allocated for this element will be spent by September 2024.
- 5.6 The Stafford Gateway project is a proposal in the Stafford's Preferred Options Local Plan 2020-2040 that will see a regeneration of Stafford's Western Approach into a new destination to live and work. The Station Gateway has recently been awarded nearly £20 million from the Levelling Up Fund. The COMF funding will be used for resources needed to produce a Health Impact Assessment (HIA) and will be supported by Staffordshire County Council. A health impact assessment is a tool used to identify the health impacts of a project and to develop recommendations to maximize its positive impacts and minimize any negative impacts. This will ensure health is fully considered in the development and delivery of Stafford Gateway project.
  - 5.6.1 The COMF funding allocated for this element will be used to conduct the HIA in its entirety and will be completed by September 2024. The HIA report can then be used to shape the Stafford Gateway project.
- 5.7 Working with the local charity Re-solv, we will deliver a range of age-appropriate sessions to children and young people across a variety of settings including primary and secondary schools and Stafford college, to educate and support children in reducing their use of e-cigarettes. Re-solv are a local charity whom we have worked with before and who focus on reducing addiction, substance misuse and mental ill health. This work would target hotspot areas and young people in populations that are most vulnerable.

- 5.7.1 This funding will work as a pilot scheme to be completed by September 2024 and which will then provide the evidence required for future commissioning, complementing existing services.

## **6 Implications**

### **6.1 Financial**

The grant detailed above will be paid to the Council in the amount of £193,833 upon confirmation of acceptance. The monies will be spent in line with COMF grant conditions and the submitted project proposals. Unspent funds will be requested to be returned. Under-spent DFG allocations from previous years will be contributed to match fund up to £132,000 towards the proactive repairs service project.

### **6.2 Legal**

The preparation or amendment of some service level agreements with partner agencies, to specify the requirements for services delivered using COMF funding will be required.

### **6.3 Human Resources**

None

### **6.4 Risk Management**

Project proposals have considered various risks relating to each individual initiative and these will be managed by the project leads throughout.

The short time-span available to commit and spend the funding is a key risk, reputationally the Borough would not want to return unspent funds. The projects identified are based on existing activity and access to partners/resources which enable expedited set up and delivery.

### **6.5 Equalities and Diversity**

The nature of the funding is intended to create positive outcomes for those members of the population who are most vulnerable to the impacts of poor health and wellbeing. To address health inequalities there will be geographic targeting and eligibility criteria, where elements of funded work are available only in geographic areas profiled for health needs or specific population groups, such as children attending school. The identification of eligible recipients for support will be based around their home address, school placement, and in some projects, on health or income-based criteria. Equality and diversity impacts for each project will be assessed individually to ensure that services are inclusive and accessible to those residents with protected characteristics.

## 6.6 Health

The main spend criteria of COMF includes funding work to address the impact of COVID-19 on health outcomes and health inequalities as well as prevention projects intended to mitigate unequal impact on populations in future outbreaks. All projects proposed for this COMF allocation will produce positive health and wellbeing impacts for residents of Stafford Borough.

## 6.7 Climate Change

The project proposal for the proactive home repairs service has given consideration to the cross-over with services which improve heating, energy efficiency and thermal comfort in residents' homes. Wherever possible, referrals will be made to existing services offering grants and assistance to install low-carbon heating and energy solutions. In a small number of homes, the repairs service will support the continued use of fossil fuels where low-carbon heating technologies are not feasible or impractical to achieve.

## 7 Appendices

None

## 8 Previous Consideration

None

## 9 Background Papers

None

<b>Contact Officer:</b>	Anna Nevin
<b>Telephone Number:</b>	01785 619176
<b>Ward Interest:</b>	N/A (Borough-wide)
<b>Report Track:</b>	Cabinet 8 February 2024 (Only)
<b>Key Decision:</b>	Yes

**Agenda Item 4(a)iii****Permission to Spend - Hotel Accommodation, Stafford**

<b>Committee:</b>	Cabinet
<b>Date of Meeting:</b>	8 February 2024
<b>Report of:</b>	Head of Wellbeing
<b>Portfolio:</b>	Community Portfolio

---

**1 Purpose of Report**

- 1.1 This report is requesting permission retrospectively to spend the funding allocation from the Home Office in relation to the costs associated with the operating of a hotel housing those seeking asylum in Stafford.

**2 Recommendations**

- 2.1 That Cabinet gives permission to spend the £50,250 funding that was allocated to Stafford Borough Council in relation to the costs incurred by the Council arising from the operation and use of the hotel for housing asylum seekers. That Cabinet delegates to the Head of Wellbeing in consultation with the Cabinet member the detailed split of the funding, based on commitments that have been incurred.

**Reasons for Recommendations**

- 2.2 Funding has been allocated by the Home Office to Stafford Borough Council to cover costs associated with the operation of the hotel in Stafford used to house asylum seekers while their asylum claims are being processed. This report is seeking permission to spend that funding where costs have been incurred.

**3 Key Issues**

- 3.1 The Home Office have allocated funding to Stafford Borough Council to cover the costs it incurred as a result of the operation of a hotel, in Stafford, housing asylum seekers. Costs have been incurred across several areas of the Council and this funding will be used to reimburse those areas.

## **4 Relationship to Corporate Priorities**

- 4.1 This supports the delivery of Corporate Business Objective 2, “To improve the quality of life of local people by providing a safe, clean attractive place to live and work and encouraging people to be engaged in developing strong communities that promote health and wellbeing”.

## **5 Report Detail**

- 5.1 A hotel in Stafford was opened in March 2023 to house those seeking asylum in the United Kingdom. On 31 March 2023 there were 67 people living at the hotel. This is the date the Home Office use to calculate payments to local authorities for costs that they incurred due to the hotel operating for this purpose in their area. Stafford Borough Council have received an allocation of £50,250 in this regard.
- 5.2 Expenditure has been incurred across several areas of the council. The community safety and partnerships team have worked closely with Serco who manage the hotel to ensure the safety of those staying there. For example, costs have been incurred because of upgrading CCTV in the immediate area. Also, when asylum seekers get a positive asylum decision the local authority has a statutory duty to provide housing advice, support and in some cases temporary accommodation for the refugees. The housing options team have worked with the hotel to provide that support and guidance.
- 5.3 This funding from the Home Office will be used to reimburse the Council's costs across the areas outlined in paragraph 5.2.
- 5.4 At the date of writing, it has been confirmed that the contract between Serco and the hotel owner to house asylum seekers, will end in February 2024, with no further costs being anticipated after this date.

## **6 Implications**

### **6.1 Financial**

The grant detailed above has been paid to the council in the amount of £50,250. The monies will be spent in line with the funding instruction for local authorities: Asylum Dispersal Grant scheme.

At the end of the period for which the support is being paid final checks will be carried out to ensure that the payments are reflective of the amounts to which the recipient is entitled. Regular monitoring will be undertaken to ensure that spend meets the appropriate criteria and that spend does not exceed the allocation. Should it be the case that costs are greater than forecast a subsequent report will be presented.

**6.2 Legal**

None.

**6.3 Human Resources**

None.

**6.4 Risk Management**

This funding will be used to cover the costs incurred by the Council during the period the hotel has been operating. Due to the contract finishing in February 2024, it is anticipated that no further costs will be incurred by the Council, therefore there is limited risk that this funding will be required for further activities.

**6.5 Equalities and Diversity**

The Council are working with Serco who manage the hotel to ensure the safety and security of all residents. They are providing housing advice and guidance that meet the specific needs of each resident taking into account any protected characteristics.

**6.6 Health**

The health and wellbeing of all residents is important. The Council have worked closely with statutory health partners as well as the voluntary sector to ensure both statutory healthcare is provided and, diversionary activities are provided to support the wellbeing of asylum seekers.

**6.7 Climate Change**

None.

**7 Appendices**

None.

**8 Previous Consideration**

None.

**9 Background Papers**

None.

**Contact Officer:** Anna Nevin  
**Telephone Number:** 01785 619176  
**Ward Interest:** Forebridge  
**Report Track:** Cabinet 8 February 2024 (Only)  
**Key Decision:** Yes

**Agenda Item 4(b)**

# Council Tax Charges in Respect of Unoccupied Dwellings

<b>Committee:</b>	Cabinet
<b>Date of Meeting:</b>	8 February 2024
<b>Report of:</b>	Deputy Chief Executive (Resources)
<b>Portfolio:</b>	Resources Portfolio

---

## 1 Purpose of Report

- 1.1 To inform members of new powers that have been given to them in respect of Council Tax charges on certain unoccupied dwellings.
- 1.2 To recommend that, at its meeting on 27 February 2024, Council resolves to introduce charges in line with those new powers and to remove the 12-month exemption currently given to some uninhabitable dwellings, with effect from 1 April 2024.

## 2 Recommendations

- 2.1 That the report be noted.
  - 2.1.1 That Council resolves to end the current 12-month exemption given to properties which are unoccupied, substantially unfurnished, uninhabitable and in need of or undergoing major repair or structural alteration with effect from 1 April 2024.
  - 2.1.2 That Council resolves to introduce a 100% Premium to be added to the Council Tax liability in respect of properties which have been unoccupied and substantially unfurnished for 12 months with effect from 1 April 2024.
  - 2.1.3 That Council resolves to introduce a 100% Premium to the Council Tax liability in respect of properties which are not occupied as any person's sole or main residence and are substantially furnished (often referred to as second homes) with effect from 1 April 2025.

## Reasons for Recommendations

- 2.2 There is no evidence that the exemption for uninhabitable property encourages the renovation of such premises or expedites their bringing into use. Administration of the exemption is very burdensome, due to it being often misconstrued by owners of properties undertaking remedial repairs or cosmetic



improvements to dwellings. Options exist for the Valuation Office Agency to remove dwellings which are derelict from the Valuation List in the most severe cases.

- 2.3 It is expected that the introduction of an empty property levy after 12 months rather than 24 months will encourage earlier engagement from owners and in many cases expedite the occupation of their properties.
- 2.4 Similarly the imposition of a Second Home Premium will encourage some homes to be put to better use and will afford owners of the properties a choice as to whether to pay the premium or bring the dwelling into use. This premium will be introduced from 2025, giving owners time to deal with their properties.
- 2.5 Safeguards will exist by way of Government's intention to provide statutory exceptions to the Premiums for some categories of dwelling.

### **3 Key Issues**

- 3.1 Historically Stafford Borough had a greater proportion of empty properties than comparable authorities. There is a published Empty Homes Strategy to combat this, and there is an Empty Homes Officer in post dedicated to bringing properties back into use. It is considered that any additional lever to encourage empty homes back into use should be explored as part of that objective.
- 3.2 There is significant demand for housing in Stafford Borough, with a strong housing market both for sale and rent. The Housing Options team face unprecedented demand for suitable accommodation for those approaching the service. As such empty or poorly utilised properties are a wasted resource that could be used to house families in the Borough.
- 3.3 The use of "second homes" varies considerably and the empty homes officer routinely receives complaints from neighbours regarding unkept properties that are recorded as second homes due to the fact they are furnished, but in reality are as problematic as if recorded as empty.
- 3.4 Any agreed changes will be supported with action by both council tax staff and the empty homes officer to help affected owners make informed choices about the future use of their asset, whether that is to pay any additional premium or market for sale or rent.

### **4 Relationship to Corporate Priorities**

- 4.1 The proposals contained in this report will encourage property owners to bring empty dwellings back into use thereby improving the local environment and providing additional housing capacity and choice.

## 5 Report Detail

- 5.1 New legislation permitting Premium charges to be applied to Second Homes and property that has been empty for 12 months received Royal Assent on 26 October 2023.
- 5.2 It is an accepted fact that empty and poorly utilised homes are a wasted resource that we would very much like to bring into use, to increase the supply of affordable accommodation in the area.
- 5.3 The Council's ability to charge our existing Premium Council Tax charges was given in 2013.
- 5.4 Whilst giving local authorities the power to charge, Government has indicated that they wish to restrict the level of charges for some categories of dwelling. The most recent legislation that allow increases, contain a condition that the Government may make regulations to restrict or inhibit the charges. Regulations are expected, but not yet made, regarding exceptions to the new Premiums for certain properties. Details are given at paragraph 5.11.
- 5.5 The following is a summary of the revenue that could be raised if we remove the exemption for uninhabitable property and increase the other charges to the new permitted levels. An element of caution is needed regarding the income figures. The figures quoted assume that all of the property owners will pay the additional charges. In reality some will claim exemptions, change categories or become re-occupied and so avoid the additional charges. Re-occupation is of course a very positive result both in terms of housing supply and New Homes Bonus.

Category of Dwelling	Recommendation	Number and Maximum Value
Property, which is unoccupied, substantially unfurnished uninhabitable and in need of or undergoing major repair or structural alteration	Remove 100% discount	51 £101,000
Property which is unoccupied and substantially unfurnished <b>12 - 24 months</b>	Increase from 100% to 200% charge	194 £365,000
Property which is unoccupied and substantially furnished (referred to as second homes)	Increase from 100% to up to 200% charge	338 £624.000

Stafford BC would retain around 10% of any revenue raised.

- 5.6 If the government were to confirm all of the restrictions included in the consultation document, the actual revenue could be reduced significantly. The revenue from dwellings empty from 1-2 years could be halved and the revenue received from second homes deferred for an additional 6 months, or more if all dwellings would satisfy one of the exception criteria.

### **Uninhabitable Property**

- 5.7 We currently offer a full reduction for up to 12 months to property, which is unoccupied, substantially unfurnished, uninhabitable and in need of or undergoing major repair work or structural alterations which are necessary to make the dwelling habitable.
- 5.8 This reduction is often misunderstood and whilst it is intended to cover property in the poorest of states, often results in claims from people who have bought or inherited property in poor states of cleanliness and decoration, or property which requires replacement of electrical installations and plumbing. These works are not sufficient to attract the reduction.
- 5.9 A considerable amount of time is spent by the Revenues Team administering this exemption which could be saved and used more productively, if it were to be removed. There is no particular evidence to suggest that applying the exemption has incentivised owners to renovate property and it may well be that removing it may expedite the repair works and re-use of the dwellings.

### **Property Empty for 1 - 2 Years**

- 5.10 We currently apply the premium charge when the dwelling is empty for 2 years as previously allowed by legislation. There is a common view that bringing the premium forward to the 1 year mark will encourage earlier engagement with the owner and in a number of cases lead to earlier occupation of the dwellings.

### **Second Homes**

- 5.11 We currently charge the statutory maximum 100% charge on Second Homes. The new legislation would allow that to increase to 200%, but requires at least 1 year to pass from the time of the resolution until the date that new charges apply. If this report is adopted, the Premium would apply to Second Homes from 1 April 2025.
- 5.12 The expression "Second Home" can be a little misleading. The term is used to describe a dwelling which is nobody's main home but is substantially furnished and so covers a multitude of scenarios. Some second homes are abandoned premises which happen to be furnished, whereas others will be well maintained and in regular use, albeit not as a main home. Any charges that we apply to second homes will apply equally to all, with the exception of those exempted by statute.
- 5.13 We cannot be certain why properties are maintained as second homes and so the impact of introducing the new premiums on each individual property owner

cannot be predicted precisely. Officers have done some work to analyse information that has been provided to the Council Tax section previously and housing officer have visited a sample of the Second Homes to establish how their state of repair impacts on their locality. The results of that work are as follows. Some of the information will be quite old and circumstances may have changed. This is the best evidence currently available.

#### 5.14 Analysis of SBC Second Homes

Analysis of SBC Second Homes as at 3 November 2023	Number	Comment
No-one's main residence but furnished	87	Could be awaiting sale or let or could be used as work-related accommodation.  We would wish to encourage occupation where possible
Appear to be second homes in the truest sense as the owner has a main residence <b>outside of the area.</b>	99	Owners will be encouraged to make their properties available in order to avoid the Premium
Second homes where owner has a main residence <b>in the area</b> – examples of these could include <ul style="list-style-type: none"> <li>• someone has moved in with a partner and has left their property unoccupied but furnished</li> <li>• someone has purchased another property and has left their prop furnished while for sale</li> <li>• Owner has purchased neighbouring properties .</li> </ul>	66	We would wish to encourage occupation where possible
Properties that have been inherited and have been left furnished	25	We would wish to encourage occupation where possible
Properties that are part of a deceased persons estate. Probably left furnished awaiting probate or to aid sale	17	Potentially exempt for 12 months
Already re-occupied	16	No action needed
Annexe to an adjoining property	4	Exempt

Analysis of SBC Second Homes as at 3 November 2023	Number	Comment
No information held	24	We would wish to engage with owners and encourage occupation where possible
<b>Total</b>	<b>338</b>	

5.15 Housing Officers inspected a sample of 90 of the second homes, for which an external inspection could establish if the dwelling had a negative impact on the locality. Of those 90 properties.

- 56 (62% so extrapolates to 210 dwellings) were in comparable condition to neighbouring properties.
- 25 (28% so extrapolates to 94 dwellings) were marginally worse than neighboring properties
- 9 (10% so extrapolates to 34 dwellings) were in considerably worse condition than neighbouring properties.

#### **Exceptions to the Premium Charges.**

5.16 The Government has indicated that regulations will be made to restrict the Premium charges in some circumstances. The Council will be bound by any exceptions, which are prescribed by Government

5.17 Potential Exceptions to both Empty Homes and Second Homes Premiums

- Properties undergoing probate (12 month deferral)
- Properties being actively marketed for sale or let (6 month deferral)

5.18 Potential Exceptions to Empty Homes Premiums

- Properties undergoing major repairs (6 month deferral)

5.19 Potential Exceptions to Second Homes Premiums

- Annexes forming a part of, or being treated as part of, the main dwelling
- Job-related dwellings
- Occupied caravan pitches and boat moorings
- Seasonal homes where year-round or permanent occupation is prohibited or has been specified for use as holiday accommodation or prevents occupation as a person's sole or main residence.

5.20 The Council has the option to specify other categories of dwelling for which the Premium will not be charged. The Council will honour the remaining term of any 100% discounts granted to uninhabitable property prior to 1 April 2025. No other categories have been specified.

- 5.21 The Council's officers will consider requests to waive Premiums on the grounds of hardship or exceptional circumstances, based on the merits of the individual application.

### **Proposed Actions.**

- 5.22 Whilst a significant amount of revenue may be generated by the imposition of the new charge levels for empty and second homes, another and more important intention of the changes is to increase the supply of affordable housing that is available in the area. To that end the Council's Revenues and Housing officers will work closely together to support owners of affected properties, who wish to bring their property into use.
- 5.23 These actions will include;
- Making contact with property owners as soon as is practicable to notify them of the changes to our charging policy and how it will affect them.
  - Entering into payment agreements with property owners who will find it difficult to pay the premiums, pending disposal of their properties.
  - Contact from Empty Homes Owner to all those impacted by the changed policy to offer a bespoke review of options and assistances available.
  - Extension of the current Empty Homes Loan administered by the Housing Standards Team to support the owners of second homes in need of repair to facilitate sale or let.

## **6 Implications**

### **6.1 Financial**

There can be no loss of revenue resulting from the proposals. Each of the proposals will increase the amount of Council Tax collected and shared with our preceptors. The exact amounts cannot be established until the policy is implemented, property owners have engaged with our officers and bills are issued and paid.

Given the late approval of legislation and uncertainty of the circumstances of all of the affected properties, no provision has been made for these changes in the 2024-25 budget or Council Taxbase.

If every property owner paid the Premiums, over £1m would be raised, from 2025-26 onwards, of which we would retain around £100K. It is not a realistic to expect all of that revenue and indeed not the purpose of the policy.

Homes brought into use bring both financial and non-financial benefits to the Council and local resident.

### **6.2 Legal**

The power to implement the proposed charges is given by the Levelling-up and Regeneration Act 2023, which amends Local Government Finance act 1992.

**6.3 Human Resources**

None

**6.4 Risk Management**

None

**6.5 Equalities and Diversity**

None

**6.6 Health**

None

**6.7 Climate Change**

None

**7 Appendices**

Appendix - Empty and Second Homes. Current and Proposed Charge and Discount Rates

**8 Previous Consideration**

Council Tax charges for empty dwellings were last reviewed on 28 January 2020.

**9 Background Papers**

None

**Contact Officer:** Rob Wolfe - Local Taxation and Benefits Manager

**Telephone Number:** 01543 46 4397

**Ward Interest:** No

**Report Track:** Cabinet 8 February 2024

Council 27 February 2024

**Key Decision:** Yes

## Appendix

**Empty and Second Homes. Current and Proposed Charge and Discount Rates**

Based on our caseload at 1 November 2023 the following shows the number of dwellings in each category of unoccupied charge and an estimate of the value of the discounts given. For this purpose a standard unparished charge has been assumed.

The table also shows the changes that are proposed in this report.

Category of Dwelling	Charge and Discount	Number and Value	Proposed Charge and Discount WEF 1.4.24 unless stated
Property which is unoccupied and substantially furnished (referred to as second homes)	0% discount  100% charge	338  £624,000	100% Premium  200% charge  <b>WEF 1.4.25</b>
Property, which is unoccupied, substantially unfurnished uninhabitable and in need of or undergoing major repair or structural alteration	100% discount for up to 12 months	51 £0.00  (101k discount given)	0% Discount  100% charge
Property which is unoccupied and substantially unfurnished <b>0- 28 days</b>	100% discount  0% charge	120 £0.00  (15k discount given)	100% discount  <b>0% charge</b>
Property which is unoccupied and substantially unfurnished <b>28 days - 12 months</b>	0% discount  100% charge	478 £834,000	0% discount  100% charge
Property which is unoccupied and substantially unfurnished <b>12 - 24 months</b>	0% discount  100% charge	194 £365,000	100% Premium  200% charge
Property which is unoccupied, substantially unfurnished and has been so for between <b>2 - 5 years</b>	100% Premium  200% Charge	167 £626,000	100% Premium  <b>200% Charge</b>



Category of Dwelling	Charge and Discount	Number and Value	Proposed Charge and Discount WEF 1.4.24 unless stated
Property which is unoccupied, substantially unfurnished and has been so for between <b>5 years and 10 years</b>	200% Premium 300% Charge	73 £128,000	200% Premium 300% Charge
Property which is unoccupied, substantially unfurnished and has been so for <b>over 10 years</b>	300% Premium 400% Charge	18 142,000	300% Premium 400% Charge