

Report of	Meeting	Date
Director of Customer & Digital (Introduced by the Executive Member for Customer, Advice & Streetscene)	Executive Member Decision (Resources)	March 2019

## **APPLICATION TO WAIVE A COUNCIL TAX LONG-TERM EMPTY PREMIUM: 24 SHAW HILL STREET CHORLEY PR7 3LU**

### **PURPOSE OF REPORT**

- To consider an application to waive the Council Tax Long-Term Empty Premium for 24 Shaw Hill Street, Chorley

### **RECOMMENDATION(S)**

- It is recommended that this application is refused.

### **EXECUTIVE SUMMARY OF REPORT**

- From 1 April 2019 the Council's policy on Council Tax Local Discounts and Premiums allows the Executive Member (Resources) to consider waiving the Long-Term Empty Premium in special circumstances.
- An application to waive the premium was received on 6 March 2019 from the owner of 24 Shaw Hill Street, Chorley. The details of the application are outlined within this report.
- As this is the first application the Council has received to waive the Long-Term Empty Premium its decision will set a precedent.

<b>Confidential report</b> Please bold as appropriate	Yes	<b>No</b>
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<b>Key Decision?</b> Please bold as appropriate	Yes	<b>No</b>
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<b>Reason</b> Please bold as appropriate	1, a change in service provision that impacts upon the service revenue budget by £100,000 or more	2, a contract worth £100,000 or more
	3, a new or unprogrammed capital scheme of £100,000 or more	4, Significant impact in environmental, social or physical terms in two or more wards

## REASONS FOR RECOMMENDATION(S)

### (If the recommendations are accepted)

6. Based on the information available to the Council the circumstances are not considered to be special.

## ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

7. To waive the Long-Term Empty Premium. This option was dismissed as the circumstances outlined by the property owner are not considered to be special.

## CORPORATE PRIORITIES

8. This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all		A strong local economy	
Clean, safe and healthy homes and communities		An ambitious council that does more to meet the needs of residents and the local area	,X

## BACKGROUND

9. An amendment to the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Bill has given local authorities powers from 1 April 2019 to charge greater Council Tax premiums on homes that have been empty and unfurnished for more than 2 years.
10. In January 2019 the Council's Executive Cabinet approved that from 1 April 2019 an additional premium of 100% should be charged for properties that have been unoccupied and unfurnished for more than two years. This policy change demonstrates the Council's commitment to tackling the borough's shortage of housing and demand for affordable homes by encouraging owners of long-term empty properties to bring them back into use.
11. It was also approved that the Council's policy on Long-Term Empty Premiums should be amended to allow the Executive Member (Resources) to consider waiving the premium in special circumstances.
12. Waiving a Long-Term Empty Premium is treated as a change to the Council Tax Payer's liability and at this time, other than a negligible reduction in the Council Tax collectable net debit amount, there are no financial implications on the Council.
13. An application to waive the premium for a period of 6 months was received in March 2019 from the owner of 24 Shaw Hill Street, Chorley, please see Appendix 1. Should a decision be made to waive this premium for a period of 6 months the property owner would benefit from a 25% discount and their Council Tax liability would reduce by £757.36.
14. This particular property has been unoccupied and unfurnished since 27 October 2015, when a former tenant left the property in a state of disrepair.
15. Since then renovation works have been ongoing to bring the property back into a habitable state and return it to residential use. During this time the Council Tax payer has benefitted from the following Council Tax reductions:

Period	Type of reduction	Amount of reduction
27 October 2015 to 07 March 2016	Empty, Unoccupied and Unfurnished (0-6 months)	50% Discount
08 March 2016 to 07 March 2017	Empty, Uninhabitable	50% Discount
08 March 2017 to 26 October 2017	Long Term Empty (6-24 months)	25% Discount

16. From 27 October 2017 a Council Tax Long-Term Empty Premium has been payable, initially at a rate of 50% until increasing to 100% from 1 April 2019.

17. The renovation works have been ongoing for over 3 years, which is considered to be more than sufficient time to renovate a property, even when the works are undertaken by the owner in their own time.
18. Whilst the Council is committed to making quality, affordable and suitable housing available to Chorley residents at present there is no Local Authority funding available to support the property owner to complete the renovation works sooner.
19. It is clear that the property owner is in part in this position due to the actions of his former tenant. It is also acknowledged that he has committed considerable expense and time to renovate the property with a view to bringing it back into use. However, one of the key principles of the policy change to the increase the Long-Term Empty Premium was to encourage owners of long-term empty properties to bring them back into use and any delay goes against the merits of this.
20. Based on the information available to the Council these circumstances are not considered to be special and it is therefore recommended that this application is refused.
21. The outcome of this application is final and cannot be appealed.

**COMMENTS OF THE STATUTORY FINANCE OFFICER**

22. No comment

**COMMENTS OF THE MONITORING OFFICER**

23. The recommendation is in accordance with Council policy, the relief sought being wholly discretionary.

ASIM KHAN  
DIRECTOR OF CUSTOMER & DIGITAL

Report Author	Ext	Date
Alison Wilding	5438	3 April 2019

Following careful consideration and assessment of the contents of this report, I approve the recommendation(s) contained in Paragraph 2 of the report in accordance with my delegated power to make executive decisions.



Dated 24.04.19

**Councillor Peter Wilson  
Lead Member (Resources)**