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NORTH HERTFORDSHIRE DISTRICT COUNCIL

CABINET

TUESDAY, 6TH FEBRUARY, 2024

SUPPLEMENTARY AGENDA

Please find attached supplementary papers relating to the above meeting, as follows:

Agenda No Item

5 ITEMS REFERRED FROM OTHER COMMITTEES

5A) Overview & Scrutiny Committee – Empty Homes Strategy – **to be considered with Item 7.**

5B) Overview & Scrutiny Committee – Council Tax Premiums for Empty and Second Homes – **to be considered with item 9.**

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Item No	Referred from:	OVERVIEW & SCRUTINY COMMITTEE
5A	Date:	29 JANUARY 2024
	Title of item:	EMPTY HOMES STRATEGY
To be considered alongside agenda item:		7

The report considered by the Overview & Scrutiny Committee at the meeting held on 29 January 2024 can be viewed here: [Agenda for Overview and Scrutiny Committee on Monday, 29th January, 2024, 7.30 pm | North Herts Council \(north-herts.gov.uk\)](#)

RECOMMENDATION TO CABINET:

- (1) That Cabinet adopt the Empty Homes Strategy 2024-29.
- (2) The Cabinet should note that although there is no legal requirement for the Council to have an Empty Homes Strategy, there have been several significant Government-focussed documents and papers highlighting their importance, including a House of Commons Briefing Paper stating that each local authority should have such a strategy to help reduce the number of long-term empty homes in their districts.

REASONS FOR DECISION:

- (1) The recommendation and considerations are being made to allow the Council to formerly adopt the 5-year Empty Homes Strategy 2024-29 to allow the Environmental Health service to work directly or with others to identify and deliver the most appropriate intervention programme to allow the Council to aim to bring as many long-term empty homes back into occupation as practicable.
- (2) The strategy allows the Council to state its intention to consider every aspect linked to the housing sector to bring into use as many opportunities as it can to meet the district's housing needs, without having to rely solely on new build. Whilst the number of long-term empty homes is small, and the number likely to be brought back into occupation will be smaller still, this strategy does address this sector which would otherwise be omitted from the overall resource potentially available to form our housing stock.
- (3) By adopting the strategy and allowing for the development of a culture of greater awareness of vacant homes, allows for homes which become vacant to be highlighted sooner, and so they can be monitored and their owners challenged at an earlier point, thus also contributing to hopefully having more homes available for the residents of the district.

Audio recording – 1 hour 28 minutes 44 seconds

Councillor Sean Prendergast, as Executive Member for Housing and Environmental Health presented the report entitled 'Empty Homes Strategy' and advised that:

- This strategy would feed into the current Housing Strategy of the Council and bringing empty homes back into use formed a key part of meeting the housing needs of the district.
- Empty homes were a wasted resource and, as often in bad repair, had a negative impact on the local community.

- This strategy would provide an opportunity to help bring the vast majority of empty homes back into use which would boost the local economy.
- This strategy was important for addressing shortages, revitalising the community, stimulating local economy and would also help to promote environmental sustainability.

The following Members asked questions:

- Councillor Ralph Muncer
- Councillor David Levett
- Councillor Daniel Wright-Mason
- Councillor Matt Barnes
- Councillor Adam Compton

In response to questions, the Executive Member for Housing and Environmental Health advised that:

- Most other local authorities have an Empty Homes Strategy in place.
- This report highlighted that the number of empty homes was increasing across the district.
- Currently the Council could only rely on Council Tax records to identify empty homes which was not sustainable.
- Having a new officer in post would help to provide resources to identify empty properties.
- The main aim of this strategy was to bring empty homes in the district back into use to meet the needs of the residents.
- It was important to set achievable targets with the resources available and to learn the reasons behind why properties were empty.
- Statistics had shown that there was an increase in the number of homes that had been empty for 2 years to 5 years and this needed to be investigated.
- The strategy would be published and it would encourage residents to report any empty homes to the Council.

In response to questions, the Environmental Health Manager advised that:

- It was not a legal statutory requirement for the Council to have an Empty Homes Strategy.
- The target of this strategy was to identify empty homes and to prevent them from being a negative impact on the community.
- This was a new target for the Council and it would take time to identify the empty homes and to work with home owners before any results would be seen.
- The residents of North Herts tended to remain in their properties for many years.
- 10% of the homes in North Herts had been vacant for over 2 years.
- The Council would be contacting owners in North Herts where homes had been vacant for 4 years or more to try to identify the reasons why they were empty.
- Homes that had been empty for longer periods had proved harder to reoccupy.
- There were several reasons why a property was empty.
- The new post of a part time officer had not yet been filled.
- This new post would enable research into identifying what funding was available for homeowners to improve their properties.
- The New Homes bonus available to the Council for every house that is brought back into occupancy was likely to cease and this was not the reason for this strategy. The main reason was to reduce the number of empty homes in the district.

The following Members took part in a debate:

- Councillor Ralph Muncer
- Councillor Matt Barnes
- Councillor David Levett

Points raised in the debate included:

- Would the implementation of this strategy be an effective use of resources.
- There did not appear to be anything new to be gained from this strategy being implemented.
- It was up to the homeowner to decide if they wanted their property to remain vacant.
- Empty housing being reoccupied would be a benefit to the community of North Herts.
- The aims of the strategy were worthwhile but would only result in a small number of empty homes being reoccupied.

Councillor Matt Barnes proposed and Councillor Clare Billing seconded and, following a vote, it was:

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Item No	Referred from:	OVERVIEW & SCRUTINY COMMITTEE
5B	Date:	29 JANUARY 2024
	Title of item:	COUNCIL TAX PREMIUMS FOR EMPTY AND SECOND HOMES
To be considered alongside agenda item:		9

The report considered by the Overview & Scrutiny Committee at the meeting held on 29 January 2024 can be viewed here: [Agenda for Overview and Scrutiny Committee on Monday, 29th January, 2024, 7.30 pm | North Herts Council \(north-herts.gov.uk\)](#)

RECOMMENDED TO CABINET:

- (1) That in accordance with Section 11B and 11C of the Local Government Finance Act 1992 as amended by Section 2 of the Rating (Properties in Common Occupation) & Council Tax (Empty Dwellings) Act 2018 and the Levelling Up and Regeneration Act 2023, Cabinet considers increasing the council tax premiums on empty homes and introducing a new premium on second homes in a phased approach as follows:
 - (1.1) That from 1 April 2025 the Council adopts the following full Premium levy rates:
 - Properties empty for one year but less than five will receive a 100% Premium.
 - Properties empty for five years but less than ten years a 200% Premium.
 - Properties empty for more than ten years a 300% Premium.
 - (1.2) That from 1 April 2024 until 31 March 2025 the following interim premiums are introduced:
 - Properties empty for one year but less than two will not receive a Premium.
 - Properties empty for more than two years, but less than five years will receive a 100% Premium.
 - Properties empty for five years but less than ten years a 150% Premium.
 - Properties empty for more than ten years a 200% Premium.
- (2) That from 1 April 2025 a 100% Premium is levied on all properties that are determined as a second home, subject to any exceptions once these have been confirmed by Regulations and that the Service Director – Customers in consultation with the Executive Member for Finance and IT is delegated authority to make any amendments following further confirmation of the Regulations.

REASONS FOR DECISIONS:

- (1) To support the principle of bringing unoccupied properties back into occupation in line with the proposed empty homes strategy. At the time of writing there are 43 properties that have been unoccupied for over five years.
- (2) The introduction of a phased approach of increasing the premiums enables us to advertise the changes. As the introduction of premiums for properties unoccupied for between one and two years is new there will be no expectation on the owners of these properties of an additional premium and therefore it is recommended that this aspect is deferred until 2025 to allow time to advertise the change.
- (3) In respect of a premium on Second Homes the Council is required to give one year's notice as this is the Council's first determination in this regard and therefore a resolution must be made before the end of the 2023/24 financial year in order to bring in the premium from 01 April 2025.
- (4) The Council does have the ability to **Page 7** revoke the decision in relation to Second Homes premium, during the year should any consultation that is carried out provide evidence that this would not be effective.

Audio recording – 2 hours 26 minutes 7 seconds

Councillor Ian Albert, Executive Member for Finance and IT, presented the report 'Council Tax Premiums for Empty and Second Homes', and advised that:

- This report detailed the proposed changes to Council Tax premiums on empty and second homes which followed the updated government legislation.
- The Council had previously only been allowed to introduce a Council Tax premium on the length of time a home was unoccupied.
- In 2019 the Council introduced the current 100% premium for a property empty for more than 2 years.
- North Herts has 157 properties that have been empty for over 2 years.
- The recent change in legislation allowed a premium to be charged on a home that has been empty for less than 1 year.
- This paper related to the ability for the Council to increase Council Tax premiums to encourage empty homes to be brought back into occupation.
- A premium could be avoided if a homeowner furnished an empty home which changed it into a second home.
- North Herts Council awarded a 10% Council Tax discount on second homes.
- From 1 April 2024 the changes to premium would affect the 43 properties in North Herts which had been empty for over 5 years. The Council would be contacting all of these residents to make them aware of this change.

The following Councillors asked questions:

- Councillor Adam Compton
- Councillor Ralph Muncer
- Councillor David Levett

In response to questions, the Service Director – Customers, advised that the Empty Homes & Second Homes Premium Policy was still in draft form and could not be finalised until government regulations had been received. The Service Director apologised that the draft policy was not circulated to Members with the agenda and advised that she would circulate a copy to Members following the meeting.

In response to questions, the Revenues Manager, advised that a property that was furnished, but was not in occupation all the time, was classed as a second home. A second home could be in another district to the main home of a homeowner.

The following Members took part in a debate:

- Councillor Ralph Muncer
- Councillor David Levett

Points raised in debate included:

- Members felt uncomfortable voting on the recommendations without having time to read and scrutinise the content of the draft policy, which had not been circulated before the meeting.
- The second homes premium would have more relevance and impact on other areas of the country, such as Cornwall where there was a higher population of holiday homes, but would not be such an issue for North Herts.

The Chair advised that he split voting on the recommendations into two parts, to ensure Members were clear on the content of each.

Councillor Nigel Mason proposed and Councillor Mick Debenham seconded and, following a vote, it was:

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- Properties empty for more than ten years a 200% Premium.

Councillor Daniel Wright-Mason proposed and Councillor Matt Barnes seconded and, following a vote, it was:

RECOMMENDED TO CABINET:

(2) That from 1 April 2025 a 100% Premium is levied on all properties that are determined as a second home, subject to any exceptions once these have been confirmed by Regulations and that the Service Director – Customers in consultation with the Executive Member for Finance and IT is delegated authority to make any amendments following further confirmation of the Regulations.

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- (4) The Council does have the ability to revoke the decision in relation to Second Homes premium, during the year should any consultation that is carried out provide evidence that this would not be effective.