

| Current Legislation | Waverley's Current Position | Current Numbers and Values | Government changes proposed from 2013/14 | Options available (proposed change in bold text) | Officer Comment | Financial Implications for Waverley BC of proposed changes |
|---|---|--|--|--|---|---|
| <p>Second Homes - Discount can be given at a rate between 10 and 50% and can be applied indefinitely</p> <p>Note - a second home is a furnished dwelling which is not the sole or main residence of any individual</p> | Waverley gives statutory minimum 10% discount | Approx 360 properties at any one time. Discounts equate to reduced council tax of £54,000 of which Waverley's share is around £6,000 | Extend the range of discount available to 0 to 50% | 1) Continue to apply the 10% 2) Withdraw discount and charge full council tax on second homes | No administrative or enforcement issues anticipated from withdrawing discount This change does not affect second homes which the council tax payer is required to have as part of their employment No additional savings in billing costs are anticipated as it is not possible to simplify the process | Waverley would retain an additional £6,000 council tax income |
| <p>Empty Homes - Undergoing Major Repair Exemption A is available for up to 12 months when a property is unfurnished and unoccupied whilst it is undergoing a major repair or structural alteration</p> | Waverley gives statutory exemption of up to 12 months. Exemption is approved following inspection by Waverley officer who also inspects during 12-month period to determine if the property is habitable before the end of the statutory period | Approx 50 properties at any one time. Exemptions equate to reduced council tax of £75,000 of which Waverley's share is around £8,000 | Replace this exemption with a locally determined discount between 0 to 100% for up to 12 months There will be no discretion about the time period and 12 months must be offered but, as now, if the property is habitable before the end of this period, the discount will end. | 1) Continue to apply a 12-month discount at 100% for all properties that would qualify for exemption A currently 2) Give a discount but at a reduced percentage for all types of property 3) Give a discount at a specified percentage only for specified types of dwellings eg. listed buildings, or only dwellings up to band D etc. 4) Set the discount at 0% for all properties so no reduction is available for empty homes undergoing a major repair | Potential impact on HRA as exemption A is currently given to HRA properties | Waverley would retain up to an additional £8,000 council tax income |
| <p>Empty Homes - Exemption C is available for period of 6-months for an unfurnished, unoccupied home</p> | Waverley gives statutory exemption of up to 6 months. Waverley inspects property to ensure that it is eligible | Approx 380 properties at any one time. Exemptions equate to reduced council tax of £285,000 of which Waverley's share is around £30,000 | Replace this exemption with a locally determined discount between 0 to 100% for up to 6 months There will be no discretion about the time period and 6 months must be offered but, as now, if the property is occupied before the end of this period, the discount will end. | 1) Continue to apply the 6-month discount for properties that would qualify for exemption C currently 2) Give a discount but at a reduced percentage ie. 50% for all types of property 3) Give a discount at a specified percentage only for specified types of dwellings. 4) Set the discount at 0% for all properties so no reduction is available for empty homes | Potential impact on HRA as exemption C is currently given to HRA properties Developers of new homes and rented homes are likely to be adversely affected as full council tax will become payable as soon as a new property is completed and immediately after a tenant leaves a rented property | Waverley would retain up to an additional £15,000 council tax income |
| <p>Long-Term Empty Homes - Currently a discretionary Discount C can be offered for a period following the end of the 6-month exemption C</p> | Waverley does not give a discount beyond the Exemption C period therefore any property that is vacant for more than 6-months pays full council tax | Approx 460 empty properties classed as long-term empty ie. their 6-month exemption 6 has expired and we haven't been notified that they are occupied - paying full council tax. Of these, around 220 have been empty for 2-years or more The maximum total income from a premium set at 50% would be around £165,000. It would be prudent to assume 140 homes would pay this premium from which Waverley would retain around £10,000. | Enable billing authorities to introduce an Empty Homes Premium of up to 50% additional charge for any properties that have been empty for more than 2-years | 1) Don't introduce premium 2) Introduce premium at 50% 3) Introduce premium at lower % than 50. | The Government is currently consulting on whether some properties should be exempt eg. those where the owner is actively seeking to sell. Would require additional inspection activity as some households could declare their property occupied to avoid the charge Impact on HRA as some HRA dwellings are long term empty awaiting redevelopment eg. Wey Court Any long-term empty property that becomes occupied attracts New Homes Bonus | It is likely that a premium set at 50% would generate significantly less than £165,000 and the number of long-term empty homes is likely to reduce. Estimated additional £10k council tax Waverley retains around £1,200 of New homes bonus for 6-years for each long-term empty home becoming occupied |