

**Extract from draft minutes of Place and Resources Overview Committee – 9 February 2023**

**Council tax premiums on second homes and empty properties**

The committee received and considered a joint report of the Corporate Director – Climate and Ecological Sustainability and the Head of Revenues and Benefits regarding proposed changes to allow councils to place a council tax premium on second homes and permit a 100% premium on empty properties at an earlier one-year commencement point. The proposals were part of the Levelling Up and Regeneration Bill which was currently at the report stage of Parliament and the report included recommendations on next steps for the Council.

Councillors considered the key issues arising from the report and discussion included the following areas:

- Recognition of how the matter linked to housing issues in the Dorset Council area, including the levels of people on the housing register and people living in temporary accommodation and bed and breakfast accommodation and the need for additional housing, including affordable rent
- The impact that second homes could have on communities and services provided within communities
- This was national legislation and therefore the rules would be the same across the country
- If the recommendations were agreed by Full Council, the premiums would be enacted with effect from 1 April 2024 or as soon as possible thereafter, subject to the required legislation being in place
- Issues raised regarding the position for chalet and caravan owners in Lyme Regis and Charmouth
- Suggestion that Cabinet review the council tax premiums for second homes and empty properties after two years of implementation
- Suggestion that a proportion of additional income raised through the premiums could be used to support affordable housing projects, if the Council had a balanced budget
- Recognition of the wider impact on communities of these issues.

It was proposed by C Jones seconded by S Jespersen

**Recommendation to Cabinet (28 February 2023)**

1. That Full Council approve the following additional council tax premiums to be applied from 1 April 2024, or as soon as possible thereafter, subject to the required legislation being in place. That approval is given to:
  - a) 100% premium for dwellings occupied periodically;
  - b) 100% premium for properties which have been empty and unfurnished for a period of between 1 (previously 2) and 5 years
2. That Cabinet review the council tax premiums for second homes and empty properties after two years of implementation

## Appendix B

3. That consideration is given to using a percentage of the additional income received through the premiums to support affordable housing projects, if the Council has a balanced budget.