

## Questions for consultation

### Proposals on second homes

Question 1	Do you agree with the Government's proposal to extend the range of discount available to billing authorities in respect of second homes to 0 to 50 per cent?
Response	The Council welcomes the proposal to extend the range of discount available to billing authorities in respect of second homes from 0% to 50%, because it would extend further democratically-elected councils' discretion about their relationship with their local taxpayers. However, it may be difficult to identify and bill such properties appropriately as some home owners will inevitably try to avoid the charge. This may lead to additional costs in collection and means that approximate calculations of increased revenue cannot be relied upon.
Question 2	How might authorities choosing not to offer any discount on second homes identify them in order to report second homes as necessary for formula grant purposes?
Response	The Government would need to legislate to require the owners of second homes to register them. This may be less important going forward dependant on the outcomes of the Local Government Resource Review and the future means of grant allocation.

### Proposals on Class A exemption

Question 3	Do you agree with the Government's proposal to abolish Class A exemption and replace it with a discount which billing authorities may set in the range 0 to 100 per cent?
Response	The Council welcomes the proposal to abolish Class A and C exemptions for vacant homes and replace these with a discount which billing authorities may choose to set between 0% and 100%, because it would extend further democratically-elected councils' discretion about their relationship with their local taxpayers. There are currently less than 50 properties with a Class A exemption in this district so any financial gain will be limited.
Question 4	If Class A exemption is replaced by a discount, for what period should the new discount apply before such properties are treated as long term empties? Should the one-year time limit continue to apply, or should billing authorities have any discretion about it?
Response	Given current market conditions the one-year time limit is reasonable.
Question 5	If Class A exemption is replaced by a discount, should billing authorities be empowered to give different levels of discount for different cases?
Response	This would introduce unnecessary complexity and bureaucracy in the administration of the system.

### Proposals on Class C exemption

Question 6	Do you agree with the Government's proposal to abolish Class C exemption and replace it with a discount which billing authorities may set in the range 0 to 100 per cent?
Response	See response to question 3 above.

Question 7	If Class C exemption is replaced by a discount, for what period should the new discount apply before such properties are treated as long term empties? Should the six month time limit continue to apply or should billing authorities have any discretion about it?
Response	The six month time limit should continue to apply.
Question 8	If Class C exemption is replaced by a discount, should billing authorities be empowered to give different levels of discount for different cases?
Response	This would introduce unnecessary complexity and bureaucracy in the administration of the system.

### Class L exemption

Question 9	Should Government seek to make mortgagees in possession of empty dwellings liable to Council Tax?
Response	The Council welcomes the proposal to make mortgagees in possession of empty dwellings liable to council tax.

### Long Term Empty Dwellings

Question 10	Would enabling local authorities to levy an empty homes premium on council tax have a significant impact on the number of homes being left empty?
Response	The ability to levy a premium will be effective in some cases, it is not possible to predict whether the overall impact will be significant. There are likely to be issues with collectability and avoidance.
Question 11	In terms of a percentage of normal council tax, what should the maximum permitted premium be?
Response	The decision on the level of premium should be left for individual billing authorities to determine and therefore no maximum should be set.
Question 12	How long should a dwelling have remained empty before the empty homes premium might be applied in respect of it?
Response	The suggestion of two years in the consultation paper seems reasonable.
Question 13	Should constraints be placed on the purposes to which the additional tax revenue generated from an empty homes premium may be devoted?
Response	This would introduce unnecessary complexity and bureaucracy in the administration of the system. Additional revenue should be treated in the same way as other council tax income and not be ring fenced in any way.
Question 14	What circumstances, if any, should be defined as being inappropriate for levying the empty homes premium and why?
Response	Discretion should be given to billing authorities to determine on a case by case basis.
Question 15	What practical issues would have to be addressed if the premium were to be implemented (for example in the consistent identification of empty homes) and how should they be resolved?
Response	The main practical issues are likely to be around collection and avoidance.

**The definition of 'relevant person'**

Question 16	Do you agree that Section 66(2C)(a) should be amended along the lines suggested?
Response	Yes, the amendment seems sensible.

**Payment by instalments**

Question 17	Do you agree that the default pattern of council tax bill instalments should be payment by 12 monthly instalments (with other arrangements to be reached by agreement between taxpayer and billing authority)?
Response	The Council is concerned that any proposal to see council tax collected over 12 months as the default option rather than 10 will have a significant cost to councils; this will be both through the impact on cash flow and through reduced collection rates. The Council does not believe that a localist government should prescribe to councils how council tax should be collected in their areas. Direct debit is the most efficient means of collection but moving the default to 12 months will remove the incentive that is currently offered for payment by direct debit.

**Information to be supplied with demand notices**

Question 18	Do you agree that billing authorities should be able to discharge their duty to provide the information that must currently be supplied with demand notices by publishing it online (with the exception of information relating to penalty charges, and subject to the right of any resident to require hard copy)?
Response	The Council welcomes the proposals to allow billing authorities to provide information in electronic format in the first instance. We believe that this will result in a small cost saving for billing authorities.

**'Rent a Roof' solar PV installations on domestic properties**

Question 19	Do you agree that domestic scale solar photovoltaic installed on dwellings should be treated as part of those properties?
Response	Yes, the issuing of a separate business rates assessment is not appropriate.
Question 20	Do you agree that domestic scale solar photovoltaic should be defined as installations having a maximum generating capacity of 10 kW?
Response	The setting of a maximum capacity again seems an unnecessary complication and overly bureaucratic.

**Annexes to dwellings**

Question 21	In what circumstances, if any, do the rules requiring the separate banding of self contained units of accommodation within a hereditament give rise to injustice?
Response	This is not felt to be a significant issue.
Question 22	Should the Government seek to make changes to these rules and if so, what changes?
Response	No changes are necessary.