

COUNCIL MEETING-15 JULY 2021– ITEM 10

NOTICES OF MOTION FROM MEMBERS OF THE COUNCIL - STANDING ORDER 15

Liberal Democrat motion from Cllr D Whyte: Runnymede Borough Council (RBC) to fully enact Empty Dwelling Council Tax Premiums from April 2022.

Motivation:

This motion is being brought forward by the Runnymede Liberal Democrat Group to encourage empty dwellings to be brought back into use as legislated by Her Majesty's Government.

The Council Notes:

1. It is widely recognised that there is a housing shortage in Britain.
2. During the 2019 General Election all major British parties included in their manifestos commitments to build 300,000 new homes per annum.
3. On the 1st November 2018 HM Government passed legislation whereby dwellings that had been empty for more than two years, five years and ten years could be charged a premium on their Council Tax by Local Authorities. Those premiums are 100%, 200% and 300% respectively (appendix 1).
4. The purpose of this legislation was to encourage empty dwellings back into occupation.
5. As of the 22nd June 2021, within Runnymede, there were 102 dwellings that had been empty for over 2 years or more. There were a further 29 had been empty for 5 years or more and an additional 17 dwellings that had been empty for more than 10 years.
6. Whilst the reasons for these dwellings remaining empty is unknown in all cases, it will include;
 - a. Pricing issues for properties being marketed,
 - b. Properties being purchased for investment purposes.
 - c. Beneficiaries of inherited properties taking time to agree on what to do with the dwelling.
 - d. Owners being unable to fund repairs of previously rented out properties.
7. It should also be noted that neglected empty dwellings can blight a local neighbourhood.
8. In 2020/21 Band D council tax is £2009.24. Of which £1549.08 goes to Surrey County Council, £285.57 goes to Surrey Police and £174.59 is retained by Runnymede Borough Council.
9. Councils that have fully introduced the Empty Dwellings Council Tax Premium include; Guildford, Kingston upon Thames, Watford, Greenwich, Hastings, Cheshire West & Chester and Norwich. This is not an exhaustive list.

The Council Believes That:

1. At a time when there is great pressure on it to plan for the delivery of increasing numbers of new dwellings, with consequent pressure on the green belt, all possible steps should be taken to ensure that the existing housing stock is fully utilised.

2. By fully implementing the aforementioned legislation RBC will be utilising a readily available means of encouraging empty dwellings in the borough back into occupation.
3. In the event the long-term empty dwellings are not brought back into occupation (remain empty), much needed revenues would be generated for the Council, the County and the Police for the benefit of residents. Based on the current numbers of long-term empty dwellings an additional £424k p.a. council tax would be raised in Runnymede. Potential revenues based on Band D council tax can be seen in appendix 2.

The Council Resolves that:

- **A report should be prepared and submitted to the Corporate Management Committee for consideration in September 2021.**
- **If it decides to fully or partially implement the Empty Dwellings Council Tax Premium from the 1st April 2022 resident communication will commence at the earliest opportunity.**

Appendix 1

HM Government legislation

Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018

2018 CHAPTER 25

An Act to make provision, where two or more hereditaments occupied or owned by the same person meet certain conditions as to contiguity, for those hereditaments to be treated for the purposes of non-domestic rating as one hereditament; and to increase the percentage by which a billing authority in England may increase the council tax payable in respect of a long-term empty dwelling.

[1st November 2018]

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

Non-domestic rating in England

1 Hereditaments occupied or owned by the same person

(1) In Part 3 of the Local Government Finance Act 1988 (non-domestic rating), in section 64 (hereditaments), after subsection (3) insert—

“(3ZA) In relation to England, where—

(a) two or more hereditaments (whether in the same building or otherwise) are occupied by the same person,

(b) the hereditaments meet the contiguity condition (see subsection (3ZC)), and

(c) none of the hereditaments is used for a purpose which is wholly different from the purpose for which any of the other hereditaments is used,

the hereditaments shall be treated as one hereditament.

(3ZB) In relation to England, where—

(a) two or more hereditaments (whether in the same building or otherwise) are—

(i) owned by the same person, and

(ii) unoccupied,

(b) the hereditaments—

(i) ceased to be occupied on the same day, and

(ii) have each remained unoccupied since that day,

(c) immediately before that day, the hereditaments were, or formed part of, a single hereditament by virtue of subsection (3ZA), and

(d) the hereditaments meet the contiguity condition (see subsection (3ZC)),

the hereditaments shall be treated as one hereditament.

(3ZC) The hereditaments meet the contiguity condition if—

(a) at least two of the hereditaments are contiguous, and

(b) where not all of the hereditaments are contiguous with each other—

(i) one or more of the other hereditaments is contiguous with one or more of the hereditaments falling within paragraph (a), and

(ii) each of the remaining hereditaments (if any) is contiguous with at least one hereditament that falls within sub-paragraph (i) or this sub-paragraph.

(3ZD) For the purposes of subsection (3ZC) two hereditaments are contiguous if—

(a) some or all of a wall, fence or other means of enclosure of one hereditament forms all or part of a wall, fence or other means of enclosure of the other hereditament, or

(b) the hereditaments are on consecutive storeys of a building and some or all of the floor of one hereditament lies directly above all or part of the ceiling of the other hereditament,

and hereditaments occupied or owned by the same person are not prevented from being contiguous under paragraph (a) or (b) merely because there is a space between them that is not occupied or owned by that person.”

(2)The amendments made by subsection (1) have effect for financial years beginning on or after 1 April 2010.

Council tax in England

2Higher amount for long-term empty dwellings

(1)Section 11B of LGFA 1992 (higher amount for long-term empty dwellings: England) is amended as follows.

(2)In subsection (1)(b) (maximum percentage by which council tax may be increased)—

(a)after “that day” insert “(“the relevant day”)", and

(b)for “50” substitute “the relevant maximum”.

(3)After subsection (1) insert—

“(1A)For the financial year beginning on 1 April 2019 the “relevant maximum” is 100.

(1B)For the financial year beginning on 1 April 2020 the “relevant maximum” is—

(a)in respect of any dwelling where the period mentioned in subsection (8) ending on the relevant day is less than 5 years, 100;

(b)in respect of any dwelling where the period mentioned in subsection (8) ending on the relevant day is at least 5 years, 200.

(1C)For financial years beginning on or after 1 April 2021 the “relevant maximum” is—

(a)in respect of any dwelling where the period mentioned in subsection (8) ending on the relevant day is less than 5 years, 100;

(b)in respect of any dwelling where the period mentioned in subsection (8) ending on the relevant day is at least 5 years but less than 10 years, 200;

(c)in respect of any dwelling where the period mentioned in subsection (8) ending on the relevant day is at least 10 years, 300.”

(4)The amendments made by subsections (1) to (3) have effect for financial years beginning on or after 1 April 2019 (and it does not matter whether the period mentioned in section 11B(8) of LGFA 1992 begins before this section comes into force).

(5)In this section “LGFA 1992” means the Local Government Finance Act 1992.

General provisions

3Extent, interpretation and short title

(1) This Act extends to England and Wales.

(2) In this Act "financial year" means a period of 12 months beginning with 1 April.

(3) This Act may be cited as the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018.

Appendix 2

Illustration of potential Council Tax income if the premiums are fully implemented.

Based on band D Dwelling Council Tax of: 2009.24

	Number of Dwellings	Council Tax Premium	Allocation of Council Tax to relevant authorities			Total
			SCC	Police	RBC	
			77.10%	14.20%	8.70%	
Current Revenue Estimate	148	50%	£114,635	£21,113	£12,936	£148,684
Potential Revenue Estimate	102	100%	£158,011	£29,102	£17,830	£204,942
	29	200%	£89,849	£16,548	£10,139	£116,536
	17	300%	£79,005	£14,551	£8,915	£102,471
Total			£326,865	£60,201	£36,884	£423,950

Motion from Cllr Howorth on Whitehall Farm :

The Council notes that in its capacity as Local Planning Authority it has provided a professional opinion on the merits of the application to develop Whitehall Farm, in the Virginia Water ward, for gravel extraction. Furthermore, this Council notes that the professional judgement expressed by officers gives a view in strictly statutory terms as the Local Planning Authority which will not be determining this application. This notwithstanding, all Members are in agreement that such a development would have a detrimental impact on the surrounding area and the local community and would wish to voice their strongest objections to Surrey County Council as the Minerals Planning Authority and express their disapproval with the proposed development. In addition, we share the views which have been expressed so eloquently by the SRA and RAGE.

We request that our concerns as Members be passed on to Surrey County Council in writing by the RBC Deputy Leader.