



**RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL**

**MUNICIPAL YEAR 2023/24**

**COUNCIL**

**25<sup>th</sup> OCTOBER 2023**

**COUNCIL TAX DISCOUNTS –  
PRESCRIBED CLASS OF DWELLINGS AND PREMIUM RELATED PROPERTIES**

**REPORT OF: THE DEPUTY CHIEF EXECUTIVE & GROUP DIRECTOR OF FINANCE,  
DIGITAL AND FRONTLINE SERVICES**

**Author:** Barrie Davies (01443 424026)

**1.0 PURPOSE OF THE REPORT**

- 1.1 This report satisfies the requirement for Council to annually review and reaffirm (or amend) the level of discount for prescribed classes of dwellings.
- 1.2 The report also confirms the continuation of the Council Tax “premium” for long term empty dwellings as well as the introduction of the “premium” for Class B prescribed dwellings described in paragraph 4.1 of this report.

**2.0 RECOMMENDATIONS**

2.1 It is recommended that Council:

- i) Agrees the continuation of no Council Tax **discount** in respect of Class A, B and C properties;
- ii) Agrees the continuation of a 50% **premium** for properties that have been empty for between 12 and 24 months and a 100% **premium** for properties empty for longer than 24 months; and
- iii) Notes and reaffirms the introduction of a 100% **premium** for Class B properties from 1<sup>st</sup> April 2024, as agreed in the Council meeting of 18<sup>th</sup> January 2023.

**3.0 REASON FOR RECOMMENDATION**

- 3.1 To satisfy the requirement for Council to annually review and reaffirm (or amend) the level of discount for prescribed classes of dwellings and reaffirms the continuation (and implementation) of the premiums for long term empty properties and second homes.

## 4.0 **BACKGROUND**

### **COUNCIL TAX - PRESCRIBED CLASS OF DWELLING**

- 4.1 In the case of a dwelling as defined in the Council Tax (Prescribed Class of Dwelling) (Wales) Regulations 1998, as amended, the Council has discretion to award up to 50% discount in respect of the two following prescribed classes of dwellings (usually described as second homes and/or holiday homes), i.e. Class A and Class B.

#### **Class A**

- (a) *which is not the sole or main residence of an individual;*
- (b) *which is furnished; and*
- (c) *the occupation of which is prohibited by law for a continuous period of at least 28 days in the relevant year.*

#### **Class B**

- (a) *which is not the sole or main residence of an individual;*
- (b) *which is furnished; and*
- (c) *the occupation of which is not prohibited by law for a continuous period of at least 28 days in the relevant year.*

- 4.2 The Council has previously determined not to allow a discount in respect of Class A and Class B properties.
- 4.3 The Council also has discretion to grant up to 50% discount on unoccupied and substantially unfurnished chargeable dwellings beyond the statutory 6 month exemption period, i.e. Class C.

#### **Class C**

- (a) *Unoccupied and unfurnished beyond a six month exempt period.*

- 4.4 The Council has previously determined not to allow a discount on Class C properties.

### **COUNCIL TAX – PREMIUMS**

- 4.5 Section 139 of the Housing (Wales) Act 2014 included a discretionary provision for Councils to raise an additional “Premium” on dwellings that have been empty for 12 months or more (Section 12A) and second homes (Section 12B).
- 4.6 For the purposes of charging a premium, a long-term empty dwelling is defined as a dwelling, which is both unoccupied and substantially unfurnished for a continuous period of at least one year.
- 4.7 A second home is defined in paragraph 4.1 of this report under Class B and in order for a premium to apply to dwellings occupied periodically, a Council must make its first determination at least one year before the beginning of the financial year to which the premium relates. The Council made this decision at its meeting of 18th January 2023, with the premium being applicable from 1st April 2024.

4.8 The level of premium for long term empty dwellings will continue at 50% where the property has been empty for between 12 and 24 months and 100% where it has been empty for longer than 24 months

4.9 For all Class B dwellings (second homes) the level of premium will be 100%.

## **5.0 EQUALITY AND DIVERSITY IMPLICATIONS / SOCIO-ECONOMIC DUTY**

5.1 A full Equality Impact Assessment is not required at this time as there is no change proposed to the existing arrangements.

## **6.0 CONSULTATION**

6.1 There are no consultation requirements as there is no change proposed to the existing arrangements.

## **7.0 FINANCIAL IMPLICATION(S)**

7.1 The implications of the above arrangements will be taken into account as part of determining the Council Tax Base calculations for the financial year 2024/25.

## **8.0 LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED**

8.1 The relevant legislation is referenced at paragraph 4 of this report.

## **9.0 LINKS TO CORPORATE AND NATIONAL PRIORITIES AND THE WELL-BEING OF FUTURE GENERATIONS ACT**

9.1 The recommendation for the continuation of no Council Tax discount in respect of Class A, B and C properties and the continuation of the Council Tax premiums supports the Council's work in delivering its Empty Homes Strategy and in doing so contributes to the delivery of Corporate Plan priorities and well-being goals as set out in the Well-being of Future Generations Act.

## **10.0 CONCLUSION**

10.1 This report recommends that Council reaffirm the current arrangements with regard to Council Tax discounts for Class A, B and C dwellings and the current and previously agreed premium levels for long term empty dwellings and second homes.

**LOCAL GOVERNMENT ACT 1972**

**AS AMENDED BY**

**THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

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**25<sup>th</sup> OCTOBER 2023**

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**Item: COUNCIL TAX DISCOUNTS – PRESCRIBED CLASS OF DWELLINGS AND  
PREMIUM RELATED PROPERTIES**

**Background Papers**

None.

Officer to contact: Barrie Davies