

Brentwood Borough Council

Review of Local Council Tax Discounts 2022/2023

Background to the consultation & responses

Council Tax Discounts

There are currently three Council Tax discounts available to residents from Brentwood Borough Council that are at the discretion of the Council and are at a direct cost to the collection fund, where Council Tax Income is collected and distributed to the Major Precepting authorities: Essex County Council, Fire & Police and Brentwood Council.

The three discounts are:

- Council Tax Discount Class C1W - where a property is empty and unfurnished a 100% discount can be awarded for the first three months.
- Discount Class B1 - where a property is not a person's main home, but their second home, a 10% discount can be awarded ongoing.
- Discount Class D2 – where a property is empty and uninhabitable due to undergoing structural alteration or undergoing major repairs, a 25% discount for up to 1 year

What is this consultation about?

The Local Government Finance Act 2012 introduced discretion for billing authorities to vary some existing Council Tax discounts and exemptions from 1st April 2013. As these three Council Tax discounts alone are at the discretion of the Council, there is an opportunity to change and to consider the impact to Council funds and to its residents.

Who could the outcome of this consultation affect?

- Owners, Landlords and Tenants of properties empty within the Brentwood Borough

Who will the outcome of this consultation 'not' affect?

- Owners, Landlords and Tenants of properties where properties are not empty within the Brentwood Borough

Proposals for Local Discretionary Council Tax Discounts to be considered from 1 April 2022

Brentwood Borough Council is consulting with its residents on their views to change the current local discretionary Council Tax Discounts from 1 April 2022.

- Removing the Council Tax discretionary discount for Empty and Unfurnished properties from 1 April 2022.
- Removing the Council Tax discretionary discount for Second Homes from 1 April 2022.
- Not changing The Council Tax discretionary discount for Empty & Uninhabitable properties from 1 April 2022.

The Consultation

This consultation consists of 5 questions about the proposed changes to the local discretionary Council Tax Discounts from 1 April 2022 and a Comprehensive Monitoring Form with questions about you.

Q1. Owners of Empty and Unfurnished properties within the Brentwood Borough currently receive 100% discount from their Council Tax bill for three months. The proposal is to remove this discount from 1 April 2022.

The removal of the Empty and Unfurnished discount would impact the following:

- Landlords when the property is empty between tenancies;
- Residents moving home between properties where there is an overlap; and
- Tenants offered new tenancies often have to take up the tenancy immediately but may not be able to move in straight away so could be liable for Council Tax on both properties.

How do you feel about this approach?

Strongly Agree	35%
Agree	16%
Don't Know	1%
Disagree	17%
Strongly Disagree	30%

1 response did not answer the question.

Q2. Owners of Second Homes within the Brentwood Borough currently receive 10% discount from their Council Tax bill and this is ongoing. The proposal is to remove this discount from 1 April 2022

The removal of the Second homes discount would impact the following:

- Landlords with furnished lets when the property is empty between tenancies;
- Residents where this is a second home for them and they are classed as permanently resident at their main home which is elsewhere; and
- Properties that remain furnished following the death of the liable person where probate has been granted and the statutory six months' probate exemption period has expired

How do you feel about this approach?

Strongly Agree	48%
Agree	25%
Don't Know	2%
Disagree	4%
Strongly Disagree	20%

Q3. Owners of properties that are Empty and Uninhabitable within the Brentwood Borough currently receive 25% discount from their Council Tax bill for up to a year. The proposal is to **NOT** change this discount from 1 April 2022

The removal of the Empty & Uninhabitable discount would impact the following:

- Owners / builders who are making improvements and bringing properties up to specification to make them habitable

How do you feel about this approach?

Strongly Agree	35%
Agree	16%
Don't Know	1%
Disagree	17%
Strongly Disagree	30%

Q4. Please use the space below if you would like Brentwood Borough Council to consider any other options.

Of the 122 responses to the consultation 40 comments were made on proposed options or additional options.

13 – Positive feedback on proposed options; 4 specifically on proposed removal of second homes discount

13– Additional feedback on other options

- **3 - Charge premium on empty properties**
- **3 - Remove uninhabitable discount or length**
- **2 - Reduce Business Rates/Charge more on empty shops**
- **1 - Premium Tax on second homes**
- **1 - Reduce discount on empty homes**
- **1 - Staggered discounts on empty properties**
- **1 - Liaise with parishes on empty homes**
- **1 - Increase uninhabitable discount/increase single person discount**

8 – Negative feedback on proposed options; 5 specifically on removing empty homes discount.

3 – Requested to Increase the single person discount.

2 – Asked questions on Council Tax Liabilities

1 – No additional Feedback

N.B Single Person discount is not a local discount that Brentwood Council has powers to amend and is statutory set in law.

Long term empty domestic properties are charged a premium on Council Tax, which is set to the maximum local limit.

Business Rates are calculated based on the properties rateable value which is set by the Valuation Office Agency. Brentwood Council do not have local powers to amend.

Q5. Please use the space below to make any other comments in relation to this consultation process.

Of the 122 responses to the consultation 27 additional comments were made.

11 – Positive comments on options presented and/or process of consultation

8 – Negative feedback. This was either general, consultation length was too short or in relation to empty home properties

3 – No further comments

2 – Requested further information to be included

2 – Question 3 was confusing

1 – Constructive feedback on voting at polls