

Agenda Item 6
Council – 17th January 2023
Recommendation from Cabinet
13th December 2022

Coventry City Council
Minutes of the Meeting of Cabinet held at 2.00 pm on Tuesday, 13 December 2022

Present:

Cabinet Members: Councillor G Duggins (Chair)
Councillor A S Khan (Deputy Chair)
Councillor R Brown
Councillor K Caan
Councillor M Mutton
Councillor J O'Boyle
Councillor K Sandhu
Councillor P Seaman
Councillor P Hetherington
Councillor D Welsh

Non-Voting Deputy
Cabinet Members: Councillor P Akhtar
Councillor G Hayre
Councillor G Lloyd
Councillor S Nazir

Non-Voting Opposition
Members: Councillor P Male
Councillor G Ridley

Employees (by Service):

Chief Executive M Reeves (Chief Executive)

Adult Services and
Housing S Atkins, J Reading

Finance B Hastie (Chief Operating Officer (Section 151 Officer)), P
Jennings, B Strain

Law and Governance J Newman (Chief Legal Officer), L Knight,

Public Health and
Wellbeing A Duggal (Director of Public Health and Wellbeing), P Barnett,
V Castree, R Chapman, I Kaur

Streetscene and
Regulatory Services A Walster (Director of Streetscene and Regulatory Services),
D Butler, C Styles, B Taylor

Transportation and
Highways J Shore

Apologies: Councillor N Akhtar
Councillor L Bigham
Councillor B Gittins
Councillor R Lakha
Councillor R Singh

RECOMMENDATION

58. Declarations of Interest

The Chief Legal Officer (Monitoring Officer) reported that a dispensation had been granted to Members with a Disclosable Pecuniary Interest (DPI) in the item of business referred to in Minute Number 66 below, headed "Council Tax Premiums for Empty Properties and Second Homes".

Members are required to disclose any interest in land in the City as a DPI. An interest in land includes owning or renting one or more property. A DPI does not need to be declared in the matter of setting the annual Council Tax or precept since these decisions do not materially affect the Councillor's specific interest in the land and affects the generality of the public in Coventry to the same extent, rather than the Councillor as an individual.

However, while the majority of people are liable to pay Council Tax, the matter of paying a Council Tax premium on a second home is a more specific payment limited to a smaller number of individuals. Therefore, it could be construed that a Councillor with an interest in a second home is affected as an individual over and above the generality of the citizens of Coventry.

Under Part 2M paragraph 6.8.4, the Monitoring Officer has delegated authority to determine requests for dispensation under section 33 of the Localism Act 2011.

Having considered the issues raised and the recommendations in the report to Cabinet and Council, and reviewed the Members registers of interests, the Chief Legal Officer (Monitoring Officer) has granted a dispensation on the basis that without it the proportion of the Council that would be prohibited from participating would impede the transaction of that business.

66. Council Tax Premiums for Empty Properties and Second Homes

The Cabinet considered a report of the Chief Operating Officer (Section 151 Officer), which set out proposal in respect of council tax premiums for empty properties and second homes.

The Levelling Up and Regeneration Bill (the Bill) proposed to allow billing authorities to charge a 100 per cent long term empty premium on unfurnished empty properties after the property had been empty for 12 months rather than the current period of 24 months.

The Bill also proposed to give billing authorities the power to apply a 100 per cent council tax premium for furnished empty properties (second homes, including second homes which are occupied but the occupiers main home is somewhere else).

The policy objective of these measures was to improve the supply of housing or for owners of second homes to make a greater contribution to council tax receipts.

If the Bill was enacted, reducing the timescale for long term empty property premiums from 24 months to 12 months could generate up to £0.9 million per annum in additional council tax. This figure would likely reduce over time as the policy intention began to influence the behaviour of owners of empty properties.

This change, from 24 months to 12 months, for the long term empty premiums may be applied from 1 April 2024 and it was recommended that Council approve this measure.

The implementation of a premium for second homes could generate £3.6 million. The implementation of this type of premium was more complex in terms of the potential implications for housing policy and the impact on different stakeholders. It was not recommended that the Council proceed with this measure from April 2024 and instead review this option in the coming 12 months.

RESOLVED that the Cabinet recommend that Council approve the implementation of a provision within the Levelling Up and Regeneration Bill to:

- **Apply a 100 per cent premium for properties that have been empty and unfurnished for 12 months or longer – this charge would be implemented from 1st April 2024 and applied to any property that had been empty for 12 months at that point and going forward.**
- **Agree to review the option of implementing a 100 per cent premium on second homes following the Enactment of the legislation and receive a further report detailing any recommendations proposed to come into effect from April 2025.**