



## Report to Cabinet

**Date:** 14<sup>th</sup> February 2023

**Title:** Council Tax Changes to the Second Home Discount

**Cabinet Member(s):** Cabinet Member for Accessible Housing and Resources

**Contact officer:** Clive Jones, Head of Revenues and Benefits

**Ward(s) affected:** All

**Recommendations:**

**RECOMMEND to Full Council that they remove the 10% Council Tax discount on second homes from 1<sup>st</sup> April 2023.**

**Reason for decision:** The removal of the 10% discount will encourage taxpayers to use premises as their main residence or allow others to use the premises as a main residence and raise additional council tax revenue.

### 1. Executive summary

1.1 The removal of the 10% discount on 2<sup>nd</sup> homes is estimated to be a benefit to the Council of approximately £157k p.a. and £37k p.a. to other preceptors.

### 2. Content of report

#### Second Home Discount

2.1 Currently there are 753 homes receiving a 10% discount for a second home. Assuming a 4.99% Council Tax increase, this is equivalent to £157k to the Council in 2023/24 (and £37k to other preceptors).

Band	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
Homes claiming second home discount of 10%	101	81	133	108	89	85	95	61	753
Estimated value of second home discount in 2024	£ 12,167.12	£ 11,384.13	£ 21,362.73	£ 19,515.64	£ 19,656.17	£ 22,185.97	£ 28,610.86	£ 22,045.44	£ 156,928.07

### 3. Other options considered

3.1 The change proposed is to help encourage the active occupation of properties as a primary residence in Buckinghamshire. A decision could be made to not remove the discount on Second Homes.

### 4. Legal and financial implications

4.1 A decision to remove the 10% discount for second homes can be made using existing legislation.

4.2 The financial implications are set out in the body of the report above and will generate additional council tax revenue for all Council Tax preceptors.

### 5. Corporate implications

5.1 The proposals will generate additional Council Tax revenues for Buckinghamshire Council and the other Buckinghamshire preceptors.

### 6. Communication, engagement & further consultation

6.1 Current recipients of the 10% Council Tax discount will be notified of the removal of the discount when they are billed for Council Tax for 2023/24 and the policy will be updated on the website.

### 7. Next steps and review

7.1 The 10% Council Tax discount for second homes will be removed from the policy.

### 8. Background papers

8.1 None.

### 9. Your questions and views (for key decisions)

9.1 If you have any questions about the matters contained in this report, please get in touch with the author of this report. If you have any views that you would like the cabinet member to consider, please inform the democratic services team. This can be done by email to [democracy@buckinghamshire.gov.uk](mailto:democracy@buckinghamshire.gov.uk).