

APPENDIX A

Long-term Empty Homes and Second Homes

Consultation Report

Date of issue: January 2023

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1. Overview

A public consultation on Long-term empty homes and second homes within Bridgend County Borough was undertaken over a 4-week period, from 16th November to 14th December 2022.

In total, there were 167 responses to the consultation. The online survey received a total 166 completion, with an additional 1 email response.

2. Introduction

The public survey was available to complete online through a link on the consultation page of the council's website. Paper copies of the consultation were also available, which could be sent directly to residents upon request.

Surveys were available in standard and large print formats: both were available in English and Welsh Language. The content of the page remains online.

Respondents could choose to answer all or some questions. All survey responses offered the option of anonymity. The council's standard set of equality monitoring questions were also included within the survey, in line with recommended good practice for all public-facing surveys carried out by the council.

3. Marketing and engagement methods

3.1. Marketing

This section details methods used to raise the profile of the consultation and encourage participation.

3.1.1. Social Media

The council runs the following social media accounts: Twitter, Facebook, Instagram, LinkedIn, and YouTube.

The public consultation was posted bilingually to the council's corporate Twitter and Facebook channels throughout the consultation period, to raise awareness of the consultation and to encourage citizens to share their views on the strategy.

The council currently has over 18K Facebook followers and 14.6K followers on its English Twitter account, and 358 on its Welsh Twitter account. While content is most likely to be seen by these users, it is also displayed to users who are not connected to the accounts.

Facebook	Likes	Comments	Shares
25 th November 2022	0	0	1
27 th November 2022	18	7	11
3 rd December 2022	5	1	0

Twitter	Likes	Comments	Retweets
23 rd November 2022	1	0	1

3.1.2. Gov Delivery

GovDelivery is a digital communications tool that was implemented by the local authority in June 2020, to send messages directly to residents' email inboxes in the language of their choice.

There are currently 35,711 English language subscribers and 248 Welsh language subscribers from Bridgend County Borough to the weekly update emails.

Details of the public consultation were included in Gov Delivery bulletins throughout the duration of the live period.

The table below shows when details were included in bulletin as well as the number of click through links in both English and Welsh language.

Date	English Link Clicks	Welsh Link Clicks
17 TH November 2022	48	0

3.1.3. Media and Publicity

A press release was issued on 15th November stating the consultation was launching on 16th November, to raise awareness and encourage participation.

<https://www.bridgend.gov.uk/news/consultation-approved-to-increase-council-tax-on-second-homes-and-long-term-empty-properties/>

3.1.4. Postal Letters

Letters were sent out directly to affected residents, in both English and Welsh language informing them of the proposal. The letters included a QR code which residents could scan to easily access the survey.

A copy of the empty properties and second homes letter can be found in Appendix 1 and 2 of the report.

3.1.5. Google Analytics

The table below shows the number and source of page views to the Empty Homes and Second Homes consultation page.

Source	Number of page views
Direct	257
Google	62
Facebook	46
Bing	4
Bridgendenders	3
LinkedIn	3
Walesonline.co.uk	1
Yahoo	1
Gov.co.uk	1
Public.govdelivery.com	1
Planning.bridgend.gov.uk	1
Democratic.bridgend.gov.uk	1
Bridgend-self.achieveservice.com	1

4. Response Rate

In total there were 167 responses, 166 were from the online survey, and 1 response was received via email, which is shown in Appendix 3 of the report.

5. How effective was the consultation?

The data collection methods, which include the online survey and a paper survey were developed using plain English to maximise understanding. These response methods were designed to give a consistency to the survey across multiple platforms.

6. Consultation Survey

6.1. Language used to complete the survey.

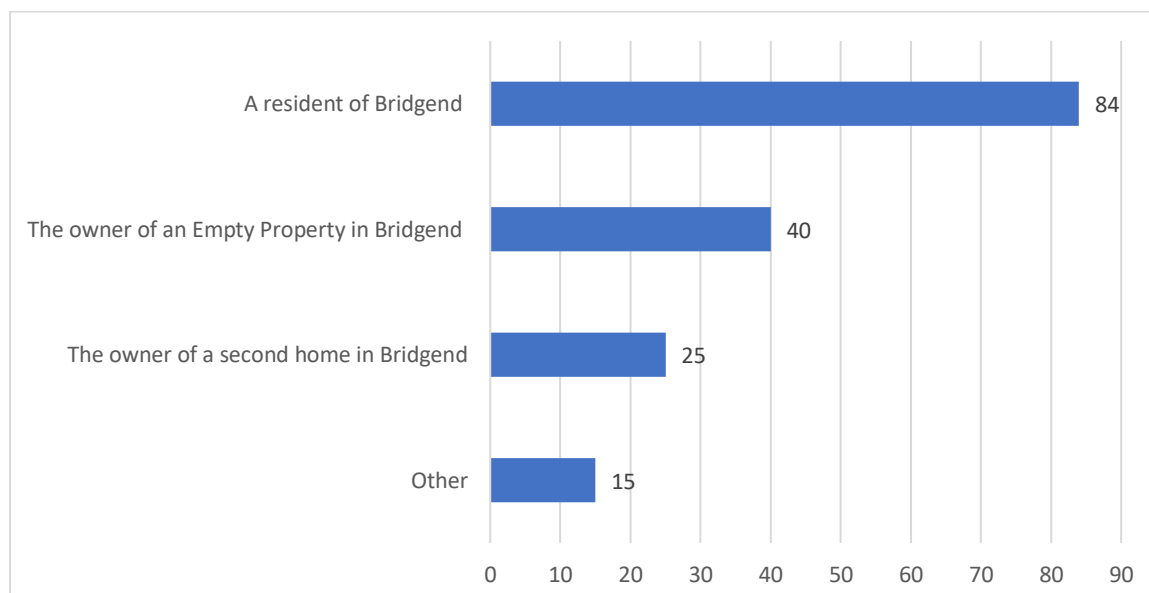
Respondents to the consultation survey were initially asked in which language they would like to complete the survey. Overall, 100% of respondents selected English with 0% selecting Welsh.

Language	#	%
English	167	100%
Welsh	0	0%
Total	167	100%

7. Survey Questions and Analysis

This section outlines and analyses all questions asked in the online survey.

Are you replying to the questionnaire as:

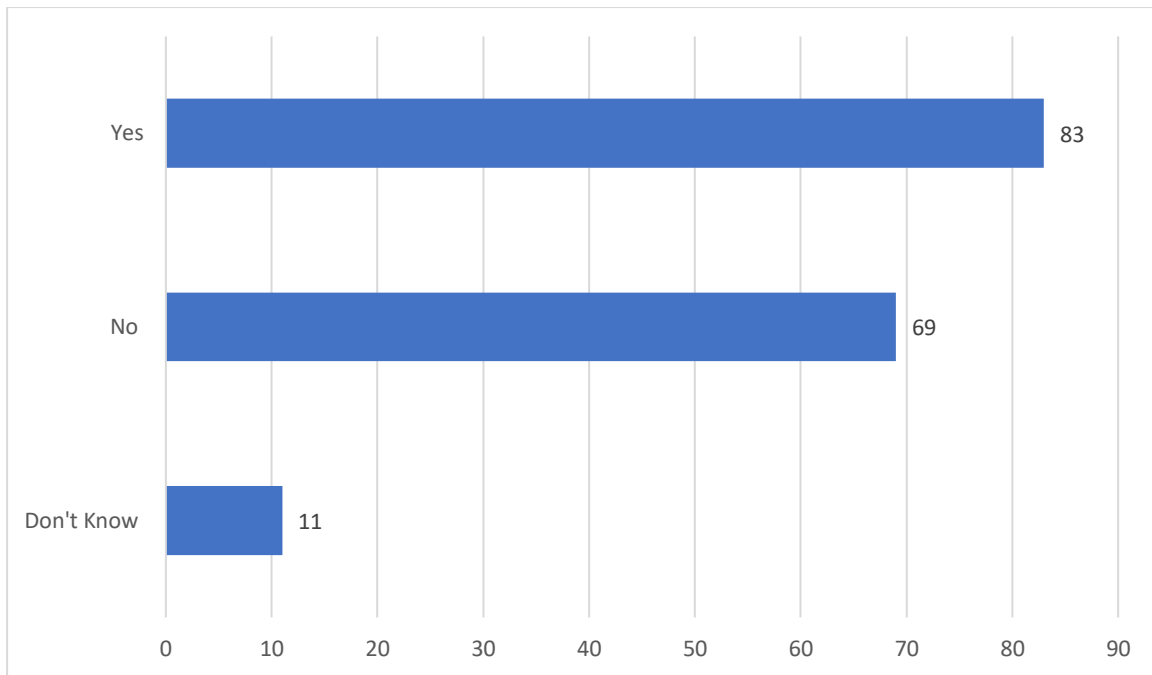


As shown in the graph above, **84 respondents (51%)** confirmed they were replying as a resident of Bridgend. **40 respondents (24%)** stated they were replying as the owner of an Empty Property within Bridgend. Another **25 respondents (15%)** were responding as an owner of a second home in Bridgend. **15 respondents (9%)** selected other.

Proposal:

It is proposed that a Council Tax Premium is introduced on long-term empty properties at 100% for those which have been empty longer than 1 year. This premium charge will be payable from 1 April 2023 for properties meeting the criteria that have been vacant for more than 12 months prior to this date. The level of premium would then increase to 200% for those properties after 2 years.

Do you agree with this Proposal?



As shown above, 83 respondents (**51%**) selected Yes, they agree with the proposal. Whereas **69 respondents (42%)** stated No, they do not agree with the proposal. **11 respondents (7%)** selected Don't Know.

If you have any comments, please insert them below:

Responses to this question are themed into the table below.

Theme	Number of Respondents
Should be an exemption for homes under renovation / making homes habitable	13
Need to understand why the homes are empty / should be individually assessed / Not one rule for all	11
Probate process and timescales should be considered as unable to do anything with the property	8
No funds to restore the property / make usable	7
Planning permission delays should be considered in timescale	4
Should be exemptions for properties on the market	4
Should not be pressured to sell or rent a second home / property	4
Empty homes should be used for the homeless and those in unsuitable housing.	3
Long overdue / Positive change	3
Should be exemption for properties where owners are in Hospital / Care Home.	3
If bills are paid, owners should be able to do what they wish	3
Empty homes do not utilise / benefit from council facilities e.g., Refuse Waste	3
Goes against the Council helping people during financial crisis	3
BCBC should be supporting residents to bring back these homes / not penalising	4
Do not consider 1 year as long term	2
Significant buildings should be targeted, i.e., Glamorgan Care Home, Porthcawl Hotel	2

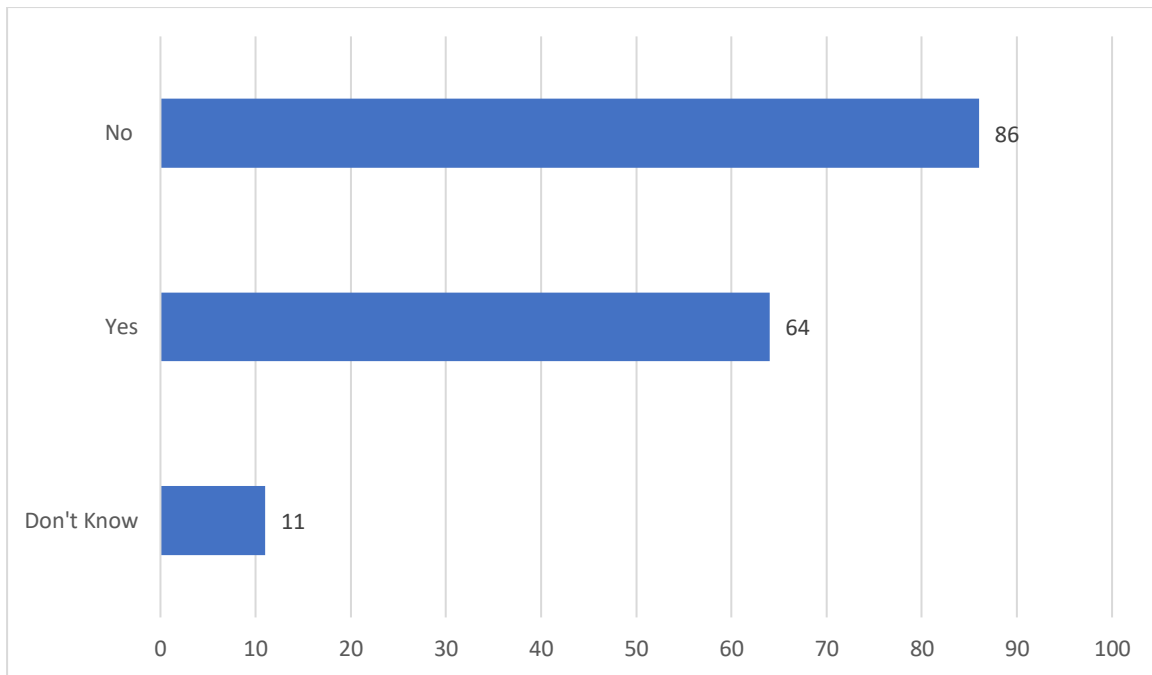
Premium is too high	2
Causes unnecessary increased anxiety during financial crisis	2
Greedy Council	1
Seems Lenient as huge shortage for affordable housing	1
Timescale should be 18 months minimum	1
Timescale should be 6 months rather than a year	1
Compulsory purchase properties empty for a long period to rent / housing schemes	1
How will this be monitored	1
BCBC should have better management of their finances	1
Second homes/ holiday lets should be excluded from the proposal as they support local economy	1
Received a letter when property is not empty	1
Homes being used for temporary accommodation should be exempt	1
Premium should be 200% after one year and continue to increase	1
1 year period should start at the introduction of this to give property owners notice	1
Proposal is not retrospective	1
Will this include dilapidated commercial properties in Bridgend Town Centre?	1
Should be 25% after a year, raising by 15% after that	1
After a year of notice, compulsory purchase should come into force	1
Second homes rarely used should be taxed	1
Not enough notice for owners to act	1
Council should make saves elsewhere to provide affordable housing	1
Council Tax in Bridgend is amongst highest in Wales	1
Unsure what is classified as a second home	1

93 respondents provided a comment for this question. As shown in the table above, the top three comments identified are as followed: **13 respondents** mentioned there should be an exemption for homes under renovation / making homes habitable. **11 comments** highlighted there needs to be an understanding why the homes are empty, and it should be individually assessed / Not one rule for all. **8 comments** referred to the timescale and delays with granting of Probate, therefore this should be considered as unable to do anything with the property.

Proposal:

It is also proposed to charge a premium in respect of second homes and that this should be 100% for all properties classified as a second home under Class B of the Council Tax (Prescribed Class of Dwelling) (Wales) Regulations 1998. The level of premium would then increase to 200% for those properties from year 3.

Do you agree with this proposal?



161 respondents provided a response for this question. As shown in the graph above, **86 respondents (53%)** stated No, they do not agree with the proposal. **64 respondents (40%)** selected Yes; they do agree with the proposal. **11 respondents (7%)** selected they Don't Know.

If you have any comments, please insert them below:

Responses to this question are themed into the table below.

Theme	Number of Responses
Proposal would cause financial hardship	9
Small amount of second home owners in Bridgend	8
Unreasonable proposal	7
Reasonable proposal	6
Second homes/holiday lets should be excluded from the tax hike	5
Second home owners feel scrutinised by the proposal	5
The proposal increases council tax by too much.	4
Improvements to Empty houses	2
The proposal should only apply to tourist areas (e.g. - Porthcawl)	2
Owners trying to sell should not be classified as second home owners.	2
Increase to 100% only	2
More evidence needed to support the proposal	2
Properties should be individually assessed	2
No improvements	1
Longer time period should be considered before tax rise	1
Increase the proposal to ensure that first time buyers have more options	1
The owners are already paying council tax elsewhere in the UK	1
Consultation should be meaningful	1
Proposal should be trialled to identify implications	1
Proposal should be implemented at 200% initially	1

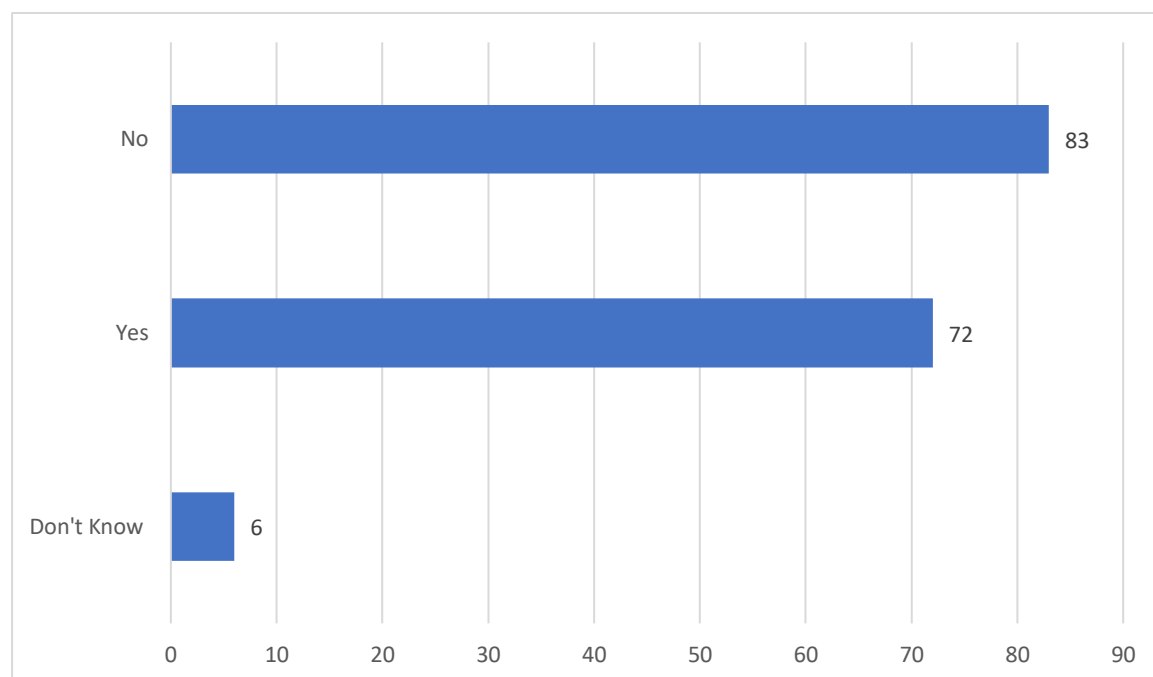
Need to consider the balance between taxing second home owners to improve economy and being sympathetic to first time buyers.	1
Bridgend already has a high council tax rate	1
Comment irrelevant to the questions	13

78 respondents provided a comment for this question. The top three themes identified in the table above are as followed: **9 comments** mentioned that the proposal would cause financial hardship. **8 comments** highlighted there are a small amount of second homes within Bridgend. **7 comments** stated the proposal is unreasonable.

Proposal:

It is proposed that the premium for long term empty properties is introduced and effective from 1st April 2023, while the premium for second homes would be effective from 1st April 2024 (in line with the requirements of the Act).

Do you think that this is a reasonable timescale?



161 respondents provided a response for this question. As shown in the graph above, **83 respondents (52%)** stated No, they do not think this is a reasonable timescale. **72 respondents (45%)** selected Yes; they think this is a reasonable timescale. **6 respondents (4%)** selected they Don't Know.

If you have any comments, please insert them below:

Responses to this question are themed into the table below.

Theme	Number of Respondents
Not enough notice for property owners to Sell / make homes habitable	19
Disagreement with taxing of Second Homes at a premium	5
Both should be introduced in 2024 / treated the same	5

Proposal to cause financial hardship	5
Implement proposal as soon as possible	4
Probate / legal issues and delays with inherited properties	3
Empty properties need to individually accessed / Understand why properties are empty	2
Second homes bring money into the area / attract tourism	2
Both proposals to be implemented by 2023.	1
Timescale should not be backdated	1
Enough time to sell the house	1
Second Homes should be rented out to support economy	1
The premium should be applied to empty shops and buildings in Bridgend Town Centre	1
No further comments from respondent	1
Property is occupied	1
Disagree as home under renovation	1
Empty Properties with no attempt to sell should be taxed	1
Properties on the market should be exempt	1
Owners should not be pressure to sell / rent out second homes	1
Timescale of proposals are confusing	1
Plans to retire to second home / use at future date	1
Proposal has had negative impact on well-being	1
Proposal has been rushed	1
Second home is used seasonally due to seasonal demand	1
Comment irrelevant to question	8

69 respondents provided a response for this question. The top four themes identified in the table above are as followed: **19 comments** highlighted the proposal does not give enough notice for property owners to sell / make homes habitable. **5 comments** stated they disagree with the tax premium on second homes. **A further 5 comments** mentioned both proposals should be introduced at the same time / treated the same. **5 comments** referred to the proposal causing financial hardship to owners.

8. Conclusion

The local authority has powers available to charge council tax premiums through the Housing (Wales) Act 2014.

The proposal would help to bring empty homes back into use to provide safe, secure, and affordable homes and would also support the council to improve the sustainability of local communities.

The report provides a summary of the findings, a wide range of comments were received regarding the proposal to increase council tax on second homes and long-term empty properties. All feedback will be circulated to the responsible officers so that as much feedback as possible can be considered for the process.

8.1. Equality Impact Assessment

The equality impact assessment will be completed alongside the proposal to increase Council Tax on Second Homes and Long-term empty properties.

8.2. Summary

Information from this consultation will be used to inform the decision of increasing the council tax charge for owners of second homes and long-term empty properties.

Information will also be shared with cabinet on Tuesday 17th January 2023.

9. Appendices

9.1. Appendix 1: Postal letter to residents – Empty properties premium

November 2022

Dear Sir/Madam

Proposal to charge a Council Tax premium for Empty Properties

Bridgend's Empty Property Strategy was approved by Cabinet in December 2019. The purpose of the Strategy was to seek to reduce empty properties across the County Borough and help contribute towards increasing the availability of housing for sale or for rent. A proposal to charge a council tax premium on empty properties is in line with the aims of this Strategy.

One of the objectives of the strategy is to use a range of interventions to ensure all types of empty homes are targeted and enable them to be brought back into use. This includes considering Council Tax Premiums for long term empty properties and second homes.

There are approximately 2,000 long term empty properties across the County Borough, over 236 of which have been empty for 5 years or more.

Since the 1st April 2017, Councils in Wales have been able to charge a higher amount (a 'premium') of up to 100% on top of the standard rate of council tax which is payable on properties which have been empty for a period of 12 months or more (known as "long-term empty properties"). The level of premium allowed to be charged has been increased by Welsh Government to 300% effective from 1st April 2023.

In line with this, the Council is now consulting on a proposal to introduce a Council Tax Premium on long-term empty properties at 100% for those which have been empty for between one and three years, rising to 200% for properties which have been empty for more than three years. It is proposed that the premium is introduced from 1st April 2023. It is also proposing to introduce a Council Tax Premium on second homes at 100% from 1st April 2024 and 200% from 1st April 2026.

The table below sets out how the premium will be applied on all long-term empty properties in the County Borough:

Length of Time Property has been Empty	Current Council Tax Liability	Proposed Council Tax Liability
0 – 6 Months	Nil	Nil
7 – 12 Months	100%	100%
1 – 3 Years	100%	200%
3 Years +	100%	300%

Please note that there are certain exceptions to the payment of Council Tax Premiums that may apply to your specific circumstances. Further information on these can be found on the BCBC website.

We are writing to you as you are currently liable for the council tax payable on an empty property in Bridgend and we would like your views on the proposal.

Please have your say by completing the questionnaire at www.bridgend.gov.uk/my-council/consultations/. Or by scanning the QR code below.



The consultation period will run from Wednesday 16th November 2022 to Wednesday 14th December 2022.

Yours sincerely,

BCBC Consultation Team

Empty properties letter – Welsh Language

Tachwedd 2022

Annwyl Syr/Madam

Cynnig i godi premiwm y Dreth Gyngor ar Eiddo Gwag

Cymeradwywyd Strategaeth Eiddo Gwag Pen-y-bont ar Ogwr gan y Cabinet ym mis Rhagfyr 2019. Diben y Strategaeth oedd ceisio lleihau nifer yr eiddo gwag ledled y Fwrdeistref Sirol a helpu i gyfrannu at gynyddu argaeledd tai ar werth neu i'w rhentu. Mae cynnig i godi premiwm y dreth gyngor ar eiddo gwag yn unol â nodau'r Strategaeth hon.

Un o amcanion y strategaeth yw defnyddio ystod o ymyriadau i sicrhau bod pob math o gartrefi gwag yn cael eu targedu a'u bod yn cael eu haildefnyddio. Mae hyn yn cynnwys Premiymau'r Dreth Gyngor ar eiddo gwag tymor hir ac ail gartrefi.

Mae tua 2,000 o eiddo gwag tymor hir ledled y Fwrdeistref Sirol, ac mae dros 236 ohonynt wedi bod yn wag ers 5 mlynedd neu fwy.

Ers 1 Ebrill 2017, mae Cyngorau yng Nghymru wedi gallu codi symiau uwch ('premiwm') o hyd at 100% ar ben cyfradd safonol y dreth gyngor sy'n daladwy ar eiddo sydd wedi bod yn wag am 12 mis neu fwy (a elwir yn "eiddo gwag tymor hir").

Mae Llywodraeth Cymru wedi cynyddu lefel y premiwm y caniateir ei chodi i 300%, a fydd yn dod i rym o 1 Ebrill 2023.

Yn unol â hyn, mae'r Cyngor bellach yn cynnal ymgynghoriad ar gynnig i gyflwyno Premiwm y Dreth Gyngor 100% ar eiddo gwag tymor hir sydd wedi bob yn wag am rhwng blwyddyn a thair blynedd, gan godi i 200% ar gyfer eiddo sydd wedi bod yn wag am hirach na thair blynedd. Cynigir bod y premiwm yn cael ei gyflwyno o 1 Ebrill 2023. Mae hefyd yn cynnig cyflwyno Premiwm y Dreth Gyngor o 100% ar ail gartrefi o 1 Ebrill 2024 a 200% o 1 Ebrill 2026.

Mae'r tabl isod yn nodi sut fyddai'r premiwm yn cael ei gymhwyso ar yr holl eiddo gwag tymor hir yn y Fwrdeistref Sirol:

Y Cyfnod y mae'r Eiddo wedi bod yn Wag	Atebolrwydd y Dreth Gyngor Presennol	Atebolrwydd y Dreth Gyngor Arfaethedig
0 – 6 Mis	Dim	Dim
7 - 12 Mis	100%	100%
1 - 3 Blynedd	100%	200%
3 Blynedd +	100%	300%

Noder, mae rhai eithriadau penodol i'r taliad Premiwm y Dreth Gyngor a all fod yn berthnasol i'ch amgylchiadau penodol chi. Mae rhagor o wybodaeth am yr eithriadau hyn ar gael ar wefan CBS Pen-y-bont ar Ogwr.

Rydym yn ysgrifennu atoch gan eich bod ar hyn o bryd yn atebol am y dreth gyngor sy'n daladwy ar eiddo gwag ym Mhen-y-bont ar Ogwr, a hoffem ofyn am eich barn ar y cynnig.

Rhannwch eich barn drwy gwblhau'r holiadur yn <https://www.bridgend.gov.uk/cy/fy-nyghyngor/ymgyngoriadau/>. Neu drwy sganio'r cod QR isod.



Bydd y cyfnod ymgynghori'n para o ddydd Mercher 16 Tachwedd 2022 tan ddydd Mercher 14 Rhagfyr 2022.

Yn gywir,

Tîm Ymgynghori CBS Pen-y-bont ar Ogwr

9.2. Appendix 2: Postal letter to residents - Second homes

English:

November 2022

Dear Sir/Madam

Proposal to charge a Council Tax premium for Second Homes

Bridgend's Empty Property Strategy was approved by Cabinet in December 2019. The purpose of the Strategy was to seek to reduce empty properties across the County Borough and help contribute towards increasing the availability of housing for sale or for rent. A proposal to charge a council tax premium on empty properties is in line with the aims of this Strategy.

One of the objectives of the strategy is to use a range of interventions to ensure all types of empty homes are targeted and enable them to be brought back into use. This includes considering Council Tax Premiums for long term empty properties and second homes.

The number of second homes across the County Borough is increasing rapidly and has more than doubled over the past four years. There are 72 second homes in the County Borough.

These are properties that are:

- (a) *not the sole or main residence of an individual;*
- (b) *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.*

Since the 1st April 2017, Councils in Wales have been able to charge a higher amount (a premium) of up to 100% on top of the standard rate of council tax which is payable on properties which are classed as "second homes". The level of premium allowed to be charged has been increased by Welsh Government to 300% effective from 1st April 2023

The Council is therefore proposing to introduce a Council Tax Premium on all second homes at 100%, effective from 1st April 2024 rising to 200% from 1st April 2026.

We are writing to you as you are currently liable for the council tax payable on a property considered to be a second home in Bridgend borough and we would like your views on the proposal.

Please have your say by completing a questionnaire at www.bridgend.gov.uk/currentconsultation. Or by scanning the QR code below.



The consultation period will run from Wednesday 16th November 2022 to Wednesday 14th December 2022.

Yours Sincerely,

BCBC Consultation Team

Welsh Language:

Tachwedd 2022

Annwyl Syr/Madam

Cynnig i godi premiwm y Dreth Gyngor ar Ail Gartrefi

Cymeradwywyd Strategaeth Eiddo Gwag Pen-y-bont ar Ogwr gan y Cabinet ym mis Rhagfyr 2019. Diben y Strategaeth oedd ceisio lleihau nifer yr eiddo gwag ledled y Fwrdeistref Sirol a helpu i gyfrannu at gynyddu argaeledd tai ar werth neu i'w rhentu. Mae cynnig i godi premiwm y dreth gyngor ar eiddo gwag yn unol â nodau'r Strategaeth hon.

Un o amcanion y strategaeth yw defnyddio ystod o ymyriadau i sicrhau bod pob math o gartrefi gwag yn cael eu targedu a'u bod yn cael eu haildefnyddio. Mae hyn yn cynnwys Premiymau'r Dreth Gyngor ar eiddo gwag tymor hir ac ail gartrefi.

Mae nifer yr ail gartrefi ledled y Fwrdeistref Sirol yn cynyddu'n gyflym, ac mae wedi mwy na dyblu dros y pedair blynedd ddiwethaf. Mae yna 72 o ail gartrefi yn y Fwrdeistref Sirol.

Mae'r rhain yn eiddo lle mae'r canlynol yn berthnasol:

- (a) *nid yw'n brif breswylfa i unrhyw un;*
- (b) *mae wedi'i ddodrefnu; a*
- (c) *nid yw meddiant ohono wedi'i wahardd yn ôl y gyfraith am gyfnod parhaus o 28 diwrnod neu fwy yn ystod y flwyddyn berthnasol.*

Ers 1 Ebrill 2017, mae Cynghorau yng Nghymru wedi gallu codi symiau uwch ('premiwm') o hyd at 100% ar ben cyfradd safonol y dreth gyngor sy'n daladwy ar eiddo sydd wedi'u nodi fel "ail gartrefi". Mae Llywodraeth Cymru wedi cynyddu lefel y premiwm y caniateir ei chodi i 300%, a fydd yn dod i rym o 1 Ebrill 2023

Oherwydd hynny, mae'r Cyngor yn cynnig cyflwyno Premiwm y Dreth Gyngor o 100% ar yr holl ail gartrefi o 1 Ebrill 2024, gan gynyddu i 200% o 1 Ebrill 2026.

Rydym yn ysgrifennu atoch gan eich bod ar hyn o bryd yn atebol am y dreth gyngor sy'n daladwy ar eiddo sy'n cael ei ystyried i fod yn ail gartref ym Mhen-y-bont ar Ogwr, a hoffem ofyn am eich barn ar y cynnig.

Rhannwch eich barn drwy gwblhau'r holiadur yn www.bridgend.gov.uk/currentconsultation. Neu drwy sganio'r cod QR isod.



Bydd y cyfnod ymgynghori'n para o ddydd Mercher 16 Tachwedd 2022 tan ddydd Mercher 14 Rhagfyr 2022.

Yn Gywir,

Tîm Ymgynghori CBS Pen-y-bont ar Ogwr

9.3. Appendix 3: Email Response.

CONSULTATION RESPONSE TO: Proposal to charge a Council Tax premium for Empty Properties

Dear,

I have already completed the online survey form responding to this consultation, and I have previously written via Cllr. Martyn Jones to complain that the letter informing me about the consultation was undated, but arrived at my home 10 days after the consultation period had commenced. I have therefore had less time than I would have liked to complete research into the implications of this proposal, and into the widely varying ways in which other borough or county councils are tackling these issues.

CONSULTATION RESPONSE BY JOHN COLES:

I have framed this consultation response in the form of a formal report, and trust that some of the issues I raise will be valued as having been carefully considered.

1.00 - BACKGROUND AND LOCUS STANDI:

1.01 - The respondent is classified by the borough council as the owner of an 'Empty Property' but this is an incorrect classification.

1.02 - The respondent and his wife are co-owners of a house used for high quality furnished short-term self-catering holiday accommodation. The property was carefully designed to meet the increasing demand for character 'destination' accommodation, and was developed as a direct response to the borough council's 'Destination Action Plan 2018-2022'. He and his wife therefore have a vested interest in this consultation as stakeholders.

1.03 - Under the remit of RentSmart Wales, the respondent is both a Registered Accommodation Provider, and certified to hold a Landlord License.

1.04 - The respondent submits that furnished short-term accommodation provides a local service by providing for visitors with a direct and / or indirect local connection to the Bridgend area, as well as as making a strong 'value added' contribution to the local economy.

1.05 - The respondent therefore argues that it is both counter-productive, and contrary, to charge such properties a premium on council tax because to do so will merely discourage activities which the council is endeavouring to encourage and support through other stated policies.

2.00 - ACCURACY OF DATA:

2.01 - As has been stated, the respondent believes that he has been incorrectly categorised as owning an 'Empty' property.

2.02 - This is despite previous requests not to list the property as 'Empty'. The exact criteria used by the borough council are not known by the respondent, but it would appear that if the Registration Officer receives no data of occupants for a specific property, then that property

will be listed as 'Empty' on the Electoral Role. This is merely one way in which a property can become categorised as 'Empty'. This can lead to erroneous classification.

2.03 - There are many other ways in which a property can become listed incorrectly, and it has been noted that in other borough or county council empty property strategies it is openly acknowledged that it is a very complex matter giving properties the correct classification.

2.04 - There would appear to be at least five categories of homes affected by the council's proposals:

a) Empty, unfurnished, properties. There are many reasons why a home is empty - e.g: deceased owner and difficulty contacting heirs; probate problems such as legal challenges; property bought as long-term investment; owner in long-term medical care, owner unable to afford extensive costs of upgrading to habitable standards, etc..

b) Second homes - category 1 (furnished, used by the owners primarily for their own use, and not necessarily solely for holidays). Examples would be where family commitments require residence at one location, but employment commitments require week-day residence at another location.

c) Second homes - category 2 (furnished, used by the owners for holidays).

d) Holiday homes - (used by the owners for holidays, but also let to other visitors from time to time).

e) Furnished and serviced accommodation specifically run as a business designed for Short Term visitor lettings (for example, via AirBnB.com) and meeting the criteria for Furnished Holiday Lettings defined by HMRC in Guidance note HS253 (2021)

2.05 - This matters. It matters, because the owners of property may be penalised by being charged a premium from either April 2023, or April 2024, and any such charges should (if imposed, and at the very least) be levied on the correct classification of data, and take into account the extent to which such properties either add to, or detract from, local needs and economy.

2.06 - The BCBC 'Empty Property Strategy 2019 - 2023' clearly states (page 5, "National Definition of an empty property") that: "The following properties are excluded from this definition - a second or holiday home" and yet now, it would appear that the proposal is being carried forward to levy a premium on such homes.

2.07 - This raises serious questions about forward planning and makes it impossible for owners to plan ahead.

3.00 - THESE COUNCIL TAX PREMIUM PROPOSALS MAY CONTRADICT OTHER EXISTING BCBC POLICY AIMS AND AMBITIONS:

3.01 - The BCBC 'Destination Action Plan' 2018 - 2022 clearly states:

Paragraph 1.1.2 Support the development / enhancement of high quality serviced accommodation.

- *The development of small scale visitor accommodation will be supported where opportunities arise, particularly in the Valleys through the Valleys Task Force, unless there are identified planning policy constraints.*

Paragraph 1.1.3 Support the development / enhancement of high quality self-catering accommodation.

Support will be provided to:

- *The letting of second homes and redundant farm buildings for holiday cottages.*

3.02 - We moved to Blangarw, at the head of the Garw Valley, because of the exceptional beauty of the location, and the many accessible walking and cycling routes. As an award-winning artist, the ambition was to offer practical holidays incorporating art and photography tuition.

3.03 - Relying on the Bridgend Borough Development Plan, and the Bridgend Destination Action Plan (see above), we purchased an additional property with beautiful views of the Nantir Valley, and direct access to walking and cycling opportunities, with the specific aim of meeting the ambition stated in Paras 1.1.2 and 1.1.3 (*above*).

3.04 - Our development of a high quality premises for short term holiday and other lets (see 3.05 below) has already achieved 'Superhost' standard, and has been successful in demonstrating a demand for such accommodation.

3.05 - In the first 12 months of letting through AirBnB we have exceeded even the forthcoming, revised, usage criteria. We have been advertised as available for 365 days of the year, and have achieved 184 nights occupancy (verifiable through our AirBnB records). We know that the three other cottages in the Garw Valley - which have all been developed and marketed within the last two years or so - have also achieved similar success.

3.06 - My own AirBnB records indicate that approximately 50 percent of our guests have a direct or indirect connection with the Valley, and their reasons for staying in the short-term self-catering include:

- Engineers working on highly specialised local survey work for Network Rail, and requiring a very quiet location for daytime sleep because their work was all at night, when no trains were running;
- A local software developer seeking a quiet location in which to develop a new, locally based, but worldwide focused, tuition portal;
- A Welsh-born professional theatre director producing the December 2021 Christmas Show for Awen, rehearsing at the Workman's Hall, just around the corner;
- Grandparents visiting grandchildren and family in the next street;
- Grandchildren and family visiting Blaengarw families for a major family celebration.
- Builders renovating an empty house in the next street (which is now 'for sale' with a Valleys-based agent);
- A single woman who had purchased a property at Blackmill, and was waiting for completion;

- A woman from the USA seeking to rekindle a relationship from long ago with a person in the Valley.
- A mother and daughter from Scotland with an appointment for specialist consultancy in Bridgend.
- A punk rock band from Sheffield, recording with a Bridgend-based recording studio for a new album.

3.07 - In addition, by developing a 'character' property, featuring artisanal antiques / artefacts, and offering a series of walks based around the mining heritage of the valley, we have attracted many people from within a 150 mile radius (West Country, Midlands, Greater London) who value our cottage as a 'Destination' in it's own right as a relaxing and characterful weekend stress-buster.

3.08 - All the people listed above, and - indeed - all our many guests, are '**Added Value**' for the Bridgend area. **This is an important issue that should be considered in this Consultation**, because far from being a drain on local resources, they bring 'new money' from England, Scotland, the USA, which they spend locally in shops, attractions, and food establishments.

3.09 - My AirBnB account currently tells me that searches for accommodation in the Blaengarw area have increased by 71 percent since the same time last year. That figure has resulted primarily from the investment and marketing that we local accommodation providers have put in, and way exceeds the 2 percent overall growth targeted by the council's own Destination Management Plan.

3.10 - Our own investment in the development to achieve this kind of growth and occupancy has all been private money. I am sure that the same applies to the other three AirBnB self-catering cottages in the Garw Valley. It is grossly unfair to now threaten to penalise those of us seeking to promote the Valley, in line with council policy, by charging us a premium council tax levy as currently proposed.

4.00 - PERSUASION NOT ENFORCEMENT:

4.01 - Many of the most successful programmes aimed at bringing 'Empty Homes' back in to use have started from a basis of 'Persuasion not Enforcement'. For example, Peterborough (regarded as a leader in this field).

4.02 - The Welsh Government 'Empty Homes Good Practice Guidance' states (Paragraph 21):

*"Not all empty homes need action. It is essential that authorities decide where they should target their main activities through careful analysis, sifting the information they collect to develop systems which identify priorities. For example, there would be little point in targeting transactional empty properties which are empty for good reason. This would also apply to properties that are not causing a nuisance, are in good repair, and would not be suitable to address local housing need. An authority will also need to set realistic timescales as part of any action plan to tackle the problems. Consideration will need to be given to the way in which action should be approached i.e. **persuasion and agreement** before **enforcement**. It is also extremely important to keep in mind the human rights issues associated with forcing owners to release empty homes and the statutory provisions that must be met when contemplating enforcement measures like EDMOs and CPO."*

[N.B. Bold type as used by the original guidance notes]

4.03 - My own AirBnB has already been targeted by the finance department as an 'Empty Home' subject to a 100 percent council tax premium as from three and a half months time. Not only is that based upon incorrect data, but it flies in the face of the Welsh Government Good Practice Guidance (see above) because **'enforcement'** is being given priority over both **'persuasion'** and **'agreement'**.

4.04 - It is suggested that this is a 'sledgehammer to crack a nut' policy, which does NOT meet the criteria as suggested in the Good Practice Guidance to *"set realistic timescales as part of any action to tackle the problems."*

4.05 - A council tax premium applies to the 'empty property' and not to the owner. It will not be lifted until the property has been brought to a 'habitable state' (which, effectively, also means a 'mortgageable state'). So, if (for example) an owner of an 'empty property' cannot afford the extensive costs of bringing a typical Valleys terraced house back to a 'habitable state' then the property will be blighted in terms of saleability.

CASE STUDY:

We viewed a 2 bedroom terraced house on 'The Strand', Blaengarw. The owners (from the Home Counties) had owned the place for around a year, and made a pretty-pretty job of the bedroom with fancy paintwork, but the electrics were ancient and literally falling out of the ceiling and walls with exposed conductors *[I am City & Guilds qualified, and a former professional theatre chief electrician. I do know what I am looking at]*. The downstairs toilet / bathroom in a single skin extension was running with water, and the roof and ceiling had collapsed. The kitchen was in a similar state of collapse. Floors and walls were damp to waistlevel, and the central heating had rusted away. The owners were asking for offers over £50,000 but even the estate agent showing us around said, "You need to realise that the money you put in to this may be more than the resale value."

In fact, resale value after renovation would have been approximately £70,000 at the time. If we had purchased at £50,000, a full plumbing / central heating installation at around £15,000, plus re-wire at around £7,000 would already have taken our costs £2,000 over the resale value, to say nothing of rebuilding costs associated with the kitchen and bathroom plus kitchen and bathroom appliances, which made this a totally uneconomic proposition.

4.06 - The example above is fairly typical of deceased properties, which are often those sold at auction because they are non-mortgageable. Given the level of renovation costs associated with such properties, trying to sell an 'empty property' PLUS a 100 percent premium attached can make such a sale impossible. Seriously - who would want to buy it?

4.07 - BCBCs own 'Empty Property Strategy 2019 - 2023' recognises this problem on Page 9: "The value of an empty property will be a factor in whether it can be brought back into use, as there may well be little or no equity to obtain funding to carry out repair works on the property."

4.08 - It is therefore suggested that merely implementing a policy of punitive measures being launched with almost immediate effect (1st April 2023) BEFORE engaging with owners to

develop a positive strategy is likely to be counter-productive.

4.09 - It would seem from desk research that many forward looking councils conform to similar guidelines to those outlined by the Welsh Government. In other words, the prospect of council tax premiums is held as a 'last resort' if owners fail to engage. Before that, specialist departments within the councils will do all in their power to help with funding and encouragement. For example, some councils offer loan funding. The owner pays a percentage of the cost of essential renovation, the council cover the rest. The property is then let to social tenants through a housing association or social landlord for 5 years and then reverts to the owner who can let privately, or sell as a renovated property.

5.00 - NOTICE PERIODS:

5.01 - Even if the council decides to proceed with the proposal to charge 100 percent premium on properties which have been empty for between 1 and 3 years, and 200 percent for properties which have been empty for more than 3 years, it is essential that owners are given sufficient notice in order to take realistic steps towards remedying the situation.

5.02 - It should be noted that the Welsh Government 'Empty Homes Good Practice Guidance' specifically says (quote): *"An authority will also need to set realistic timescales as part of any action plan to tackle the problems."*

5.03 - By implementing the proposal as in (5.01 above) it is strongly suggested that the council is NOT setting 'realistic timescales' and that very few - if any - owners of 'Empty Properties' will be able to either renovate to habitable standards, offer to the rental market, or sell their properties within the three months or so before the implementation date of 1st April.

5.04 - If the council is not prepared to follow Welsh Government good practice guidance, it is suggested that the proposal as it stands is clearly punitive, and merely aimed at fundraising, rather than representing a genuine desire to be constructive in bringing 'Empty Properties' back into the market as part of a genuine strategy to work together with owners to address housing concerns within the borough.

5.05 - In terms of 'second homes / holiday homes' it is suggested that it is grossly unfair to penalise owners who have endeavoured to meet the ambitions of the council's own Destination Management Plan, and who have added considerable 'Added Value' by bring 'new money' into the borough.

5.06 - It should be recognised by the council that this policy is being introduced at a time when owners of both 'empty properties' and 'second / holiday homes' have, and are being, impacted by a veritable storm of factors which affected, and will continue to affect, income and disposable funds with which to meet occupancy figures, or to carry out major renovations.

- Covid lockdowns from March 2020 impacted severely on the ability to renovate properties, with a virtually complete shut-down of builder's merchants, massive shortages of basic materials such as sand and cement, and a total shut-down of

delivery services.

- Travel bans made it illegal to travel to collect construction materials or to visit second homes.
- Those same travel bans created a severe reduction in income for the operators of self-catering holiday homes, on which overall overheads (council tax, water rates, broadband and communications costs, insurance etc) continued to be payable.
- During that period (March 2020 to December 2021) and ongoing since, the price of building materials has dramatically increased. For example, Cement doubled in price, the cost of roofing batten increased around threefold.

5.07 - The country is now entering a period of severe economic recession. Those of us operating self catering accommodation are already seeing a major downturn in bookings for 2023 which will make it much harder to meet the new occupancy levels from April 2023 (which are approximately 250 percent higher than current levels), and property prices are predicted to decrease considerably whilst renovation costs have, and are, increasing.

6.00 - CONCLUSION:

6.01 - It is submitted that this proposal to introduce council tax premiums from 1st April 2023 and 1st April 2024, should be reconsidered (see 6.04 below).

6.02 - It is suggested that before implementing punitive council tax premiums, the core of the strategy in respect of Empty Homes should be to engage with, and persuade owners to bring their properties back into habitable or economic use. BCBCs own strategy document acknowledges the problems, and the Welsh Government have established detailed Good Practice Guidance which should surely be followed.

6.03 - Short-Term Holiday Lets (known by HMRC as 'Furnished Holiday Lettings) provide a valuable local resource, at no cost to the council, by renovating sub-standard premises, and providing accommodation for both new visitors, and temporary accommodation for those with a direct or indirect connection with the borough. They bring financial 'Added Value' to the borough by bringing in 'new money' (rather than merely re-circulating existing money) and, as long as they can demonstrate that they are in compliance with government legislation, it is counter-productive to levy a punitive council tax premium on their owners - no other business which is trying to operate commercially to make a profit would be treated like this.

6.04 - It is suggested that the council's own list of empty homes, holiday homes, and furnished holiday lettings should be updated prior to imposing a Council Tax Premium which could be levied incorrectly if current information is out of date or incorrect. It is a basic human right that taxes are levied fairly and based on correct information.

REFERENCES:

Empty Property Strategy 2019 - 2023 - Bridgend County Borough Council (2019)

Empty Homes Tools - Welsh Local Government Association (undated)

Consultation on planning legislation and policy for second homes and short-term holiday lets
- Welsh Government, (September 2022)

Destination Management Plan 2018 - 2022 - Bridgend County Borough Council (March

2018)

Destination Action Plan 1018 - 2022 - Bridgend County Borough Council (March 2018)

Empty Homes Good Practice Guidance - Welsh Government (2010)

Local Taxes for Second Homes and Self-Catering Accommodation, Consultation Response -
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Statutory Instrument 1998 No. 105 The Council Tax (Prescribed Classes of Dwellings)
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Classes of Dwellings) (Wales) (Amendment) Regulations 2004

Summary of Approaches to Empty Homes adopted by Local Authorities in Wales - Shelter
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Guidance HS253 Furnished Holiday Lettings - HM Government Revenue and Customs
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Empty Homes Strategy - Peterborough City Council (May 2017)

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