

National Assembly for Wales
Finance Committee

Housing (Wales) Bill

March 2014



Cynulliad
Cenedlaethol
Cymru

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Wales

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A list of witnesses and oral and written evidence of relevance to this report is available at: **<http://www.senedd.assemblywales.org/mgIssueHistoryHome.aspx?IId=5722>**

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Finance Committee

The Committee was established on 22 June 2011. The Finance Committee's role is to carry out the functions set out in Standing Order 19. This includes consideration of the use of resources by the Assembly Commission or Welsh Ministers, and in particular reporting during the annual budget round. The Committee may also consider any other matter relating to expenditure from the Welsh Consolidated Fund.

Current Committee membership



Jocelyn Davies (Chair)
Plaid Cymru
South Wales East



Peter Black
Welsh Liberal Democrats
South Wales West



Christine Chapman
Welsh Labour
Cynon Valley



Paul Davies
Welsh Conservatives
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The Committee's Recommendations

Recommendation 1. The Committee recommends that the Minister clarifies how enforcement against unlicensed or unregistered landlords will be funded once the Bill comes into force. (Page 11)

Recommendation 2. The Committee recommends that the Minister provide further information on the availability of data sharing in terms of identifying landlords when he has finished his consideration of this. (Page 11)

Recommendation 3. The Committee recommends that the Minister sets out details of how he would expect any additional costs resulting from greater than expected increases in homelessness levels to be funded, given that additional Welsh Government funding is not available in these circumstances. (Page 15)

Recommendation 4. The Committee recommends that the Minister reconsider the estimated savings that can be achieved through removing automatic priority need status from prison leavers and provide clarity where savings will be achieved and where staff will be redeployed. (Page 16)

Recommendation 5. The Committee recommends the Minister amends the Bill to in relation to gypsy and travellers to reflect his assurance that the additional money to fund sites will be made available if required. (Page 19)

Recommendation 6. The Committee recommends that the Minister commits to publishing information identifying how much money has been raised by each local authority that collects additional council tax from empty homes. (Page 21)

1. Background and Overview

1. The Housing (Wales) Bill ('the Bill') was introduced by Carl Sergeant AM, Minister for Housing and Regeneration ('the Minister') on 18 November 2013.
2. The Explanatory Memorandum¹ details the key purposes of the Bill is to:
 - Introduce a compulsory registration and licensing scheme for private rented sector landlords and letting and management agents;
 - Reform homelessness law, including placing a stronger duty on local authorities to prevent homelessness and allowing them to use suitable accommodation in the private sector to discharge homelessness duties;
 - Place a duty on local authorities to provide sites for Gypsies and Travellers where a need has been identified;
 - Introduce standards for local authorities on rents, service charges and quality of accommodation;
 - Reform the Housing Revenue Account Subsidy system;
 - Give local authorities the power to charge 50 per cent more than the standard rate of council tax on homes that have been empty for a year or more; and
 - Assist the provision of housing by Co-operative Housing Associations.
3. A Regulatory Impact Assessment ('RIA') is contained in the Explanatory Memorandum ('EM') which presents the estimated additional costs resulting from the Bill. There are eight financial elements of the Bill, with the standards for social housing section of the Bill being split into two parts.
4. The Committee took evidence on the financial implications of the Bill from the Minister on 5 February 2014.

¹ National Assembly for Wales, [Explanatory Memorandum – Housing \(Wales\) Bill](#)

2. Private rented sector

Self-financing of the mandatory registration and licensing scheme for landlords and letting and management agents

5. The Bill will make it a mandatory requirement for landlords and agents that manage privately owned properties for rent to register and become licensed. The EM anticipates that Cardiff Council will administer the scheme on behalf of all local authorities. Landlords and letting agents will be required to obtain a licence within two years of registration. There are estimated to be between 70,000 and 130,000 private rented sector landlords across Wales, with 183,000 properties. The cost to landlords of registration is based on the upper estimate of 130,000 landlords.

6. The registration and licensing scheme is intended to be self-financing for local authorities from 2015-16, with the revenue raised from landlords and letting agents covering a number of costs to local authorities. The RIA states that this includes the costs of administering and operating the scheme and enforcing legislation against non-compliant landlords. In oral evidence to the Communities, Equality and Local Government Committee, the Minister stated that:

“We indicated at the beginning that we think that there are 70,000 landlords and more in Wales. We think that there is a break-even point for registration at around 10,000 registrations. So, anything above that is effectively a good take for the registration scheme.”²

7. However, in written evidence to the Communities, Equality and Local Government Committee the Residential Landlords Association commented that:

“There has been no proper or robust assessment of the cost for implementation and operation of the proposed registration, licensing and accreditation scheme. We believe that considerations given for the cost of the proposed scheme have been woefully understated and that an estimate of achieving break even at 10,000 landlords is unrealistic. At a time when Government is severely struggling to meet current financial

² Communities Equality and Local Government Committee, ROP, 12 February 2014, paragraph 118

obligations and is making drastic cuts to already insufficient budgets, duplicating expenditures on a new bureaucratic machine that already exists in some form (such as duplicating the Land Registry) may not be the most appropriate stewardship of public resources.”

Cost of sanctions and enforcement

8. The legislation will create a number of offences including failure to register, supplying false or misleading information, failure to update the register and letting or managing property on behalf of an unregistered owner. The range of penalties available to local authorities will include both civil sanctions; for example, the power to issue rent stopping orders. It will also include potential criminal sanctions carrying fines. It is expected that the available civil sanctions will be used in the first instance where a landlord continually refuses to register. In economic terms, the RIA states that imposition of a payment cessation order (also referred to as Rent Stopping Order) represents a transfer from landlord to tenant and the net impact on the UK economy is zero.

9. Uncertainty around how many landlords will steadfastly refuse to register and subsequently either become licensed or appoint a licensed agent or responsible person to manage properties on their behalf means that the Welsh Government has not been able to quantify the costs associated with sanctions. In the RIA the Welsh Government emphasises that the majority of landlords are expected to register and secure licensed status under the legislation, action is only likely to be taken against those landlords that refuse to comply. The costs of enforcement will vary on a case-by-case basis.³ These are anticipated by the Welsh Government to vary between £30 for issuing a warning letter to up to £30,000 if court action is required.

10. The Welsh Local Government Association (‘WLGA’) commented in their written evidence⁴ that the aim of creating a full register of landlords and letting and management agents will only happen if resources are available to enforce the scheme. They also noted that they would welcome any work the Welsh Government can do to underline the importance of full costs being awarded by the courts to

³ National Assembly for Wales, [Explanatory Memorandum – Housing \(Wales\) Bill](#), page 60

⁴ Written evidence, Communities, Equality and Local Government Committee, HB 06

local authorities who take legal action against unregistered private landlords.⁵ The Minister's letter of 14 January 2014 to the Communities, Equality and Local Government Committee states that:

“In terms of taking action against unregistered / unlicensed persons – the most likely route for the recovery of costs of enforcement would be through costs sought in the event of successful court proceedings.”⁶

Minister's evidence

11. The Minister was asked whether he agreed that the costs in the RIA have been underestimated with regards to the registration and licensing scheme for private sector landlords, the Minister said:

“We believe those figures are as accurate as they can be. On the figures that have been presented by external bodies that I have seen, I do not accept those either.”⁷

12. When asked whether there was evidence to support the costs identified in the RIA, the Minister stated that:

“what we worked on is the assumption that the costing for the first year would be around £0.5 million, and we worked back on a registration fee, which we have explained in the policy committee, of around £50 per registration, and there being around 10,000 landlords. We know that that is way underestimated in terms of the number of landlords in Wales. The Residential Landlords Association, I think, has suggested that there are around 80,000 landlords in Wales. We believe there are actually more than that. So, 10,000 is a small number, which we believe will be adequate, with the fee structure, to fund the scheme.”⁸

13. When asked for further details on the figure of 10,000 landlords being required to register to ensure the scheme is self-funding the

⁵ Written evidence, Communities, Equality and Local Government Committee, HB 06

⁶ National Assembly for Wales, Communities, Equality and Local Government Committee, [CELG\(4\)-02-14: Paper 8 – Letter from the Minister for Housing and Regeneration to the Chair of the Communities, Equality and Local Government Committee](#)

⁷ Finance Committee, ROP, 5 February 2014, paragraph 10

⁸ Finance Committee, ROP, 5 February 2014, paragraph 16

Minister said he did not envisage there being a shortfall due to the mandatory requirement to register.⁹

14. The Minister was questioned about the budget for ensuring landlords are aware of the requirement to register. The Minister's official said:

“We have allowed £50,000 as an initial budget for the Welsh Government to pay for advertising. Of course, there are a huge number of non-paid-for advertising channels that we will use, such as social media. So, we feel that is enough to buy a set amount of paid advertising to reach the right people, plus additional promotional activities for the first year.”¹⁰

15. Further questions were asked regarding the training which landlords and agents will be required to undertake, and how this will be costed. The Minister explained that landlords will be required to pay their registration fee and then pay to attend the training.¹¹

16. The fees generated by licensed members of the private rented sector scheme cannot be used to enforce enforcement action against unregistered or unlicensed landlords or letting agents, in light of the ruling by the Court of Appeal on the case of Hemming v. Westminster City Council. In terms of how to respond to this, the Minister stated:

“there has to be a different route in terms of the financing of that. For the people who are registered, there will be a fee structure to support the operation of that, as we have explained, in terms of the registration. On the element of individuals who do not wish to comply, we will have to look at how local authorities will enforce that. There will have to be a separate fee structure for the development of that. We are currently looking at the opportunity to provide fixed-penalty notices to individuals who seek to dodge the scheme. However, it is a process, Chair. I understand the communications element of this and making sure that people are aware of the scheme. There is a journey to go on before we would consider that to be appropriate, but the ultimate penalty would be fixed-

⁹ Finance Committee, ROP, 5 February 2014, paragraph 28

¹⁰ Finance Committee, ROP, 5 February 2014, paragraph 42

¹¹ Finance Committee, ROP, 5 February 2014, paragraph 62

penalty notices and/or other actions a local authority could take.”¹²

17. Questions were asked about how landlords will be identified and whether there was a possibility of data sharing to help identify which properties are rented, the Minister said:

“We are looking at different ways of accessing data that are legal, in terms of data sharing, in order for us to do that.”¹³

18. In a letter to the Committee on the issue of data sharing the Minister said:

“Data sharing in relation to housing benefit and council tax information is something to which we are currently giving more consideration. Section 237 of the Housing Act 2004 covers the sharing of information in relation to HMO and selective licensing scheme, and we are considering this in the context of making provision for the sharing of information for the purposes of the proposed registration and licencing scheme.”¹⁴

Committee view

19. The Committee has considered the evidence around private rented housing and is concerned that the detail around some areas of this part of the Bill seem to lack clarity.

The Committee recommends that the Minister clarifies how enforcement against unlicensed or unregistered landlords will be funded once the Bill comes into force.

The Committee recommends that the Minister provide further information on the availability of data sharing in terms of identifying landlords when he has finished his consideration of this.

¹² Finance Committee, ROP, 5 February 2014, paragraph 77

¹³ Finance Committee, ROP, 5 February 2014, paragraph 72

¹⁴ www.senedd.assemblywales.org/documents/s24863/FIN4-04-14ptn1.pdf

3. Homelessness

20. The preferred option in the EM places a duty on local authorities to prevent or relieve homelessness for all eligible applicants who are homeless or threatened with homelessness.

21. The additional costs to the Welsh Government from this option in the homelessness element of the Bill are detailed as:

2014-15	2015-16	2017-18
£5,900,000	£3,200,000	£1,900,000

22. The Welsh Government has stated that in 2015-16 it will provide additional funding of £4.9 million to cover the additional costs. The remaining £1 million will be funded from savings associated with amending the priority need status of prisoners.¹⁵ The Welsh Government has also stated that this will be a recurring saving. This figure has been based on the assumption that 10% of former prisoners will continue to meet the revised priority need criteria.

23. However, the Communities, Equality and Local Government Committee have received evidence from stakeholders who argue that the percentage of former prisoners who will continue to meet the priority need criteria will be higher than this. Cymorth Cymru stated in their evidence to the Committee that:

“It is estimated that more than 90 per cent of prisoners have a mental health problem of some kind and that more than 70 per cent of both male and female sentenced prisoners have at least two mental disorders. In addition, many are from disadvantaged backgrounds, have substance misuse issues and poor literacy rates. Given this, the prison population is regarded by many working in this area as vulnerable by definition.”¹⁶

¹⁵ National Assembly for Wales, [Explanatory Memorandum – Housing \(Wales\) Bill](#), page 147

¹⁶ Written evidence, Communities, Equality and Local Government Committee, HB 19

24. The RIA also states that further savings of £1 million will be made in 2016-17 from within the existing homelessness budget.¹⁷

25. The Welsh Government has also conducted sensitivity analyses allowing for a range of increases in homelessness applications well above those anticipated, due to causes including more people making homelessness applications due to the legislative change, welfare reform and economic conditions. From these, it is possible that there could be further additional costs of up to £3.7 million in 2015-16, giving potential total additional costs of £9.6 million in 2015-16.¹⁸

26. The cost estimates provided in the RIA in relation to this section of the Bill run until 2017-18, therefore they do not include details of any additional costs resulting from local authorities being required from 2019 to provide secure accommodation for households containing children where they have been found intentionally homeless, where the duty to prevent or relieve homelessness has been unsuccessful and they have not been found intentionally homeless in the past five years.¹⁹

27. The WLGA noted concerns with how this part of the Bill would be funded, stating in their written evidence that:

“We recognise the value of troubled families being provided with an integrated package of support in order to avoid future homelessness, however we have concerns about the resource implications of this proposal. We therefore hope there will be an opportunity to work closely with the Welsh Government in the period preceding 2019 to consider how these services can be resourced.”²⁰

¹⁷ National Assembly for Wales, [Explanatory Memorandum – Housing \(Wales\) Bill](#), page 147

¹⁸ National Assembly for Wales, [Explanatory Memorandum – Housing \(Wales\) Bill](#), page 74

¹⁹ National Assembly for Wales, [Explanatory Memorandum – Housing \(Wales\) Bill](#), page 17

²⁰ Written evidence additional information, WLGA, Communities, Equality and Local Government Committee, www.senedd.assemblywales.org/documents/s24054/Welsh%20Local%20Government%20Association.pdf

Minister's evidence

28. The Minister was asked if he was confident that the planned £1 million savings associated with revising the priority need status of prison leavers in 2015-16 could be achieved given that some stakeholders had said the vast majority of prisoners are vulnerable and therefore regarded as priority need. The Minister said:

“we believe that the financing arrangements within the Bill are accurate, Chair; we would be foolish to present otherwise. We have looked at the numbers around prison leavers, working with local authorities that discharge that duty in terms of costs et cetera. We have worked back on the principle of cost savings around that. We believe internally that we probably underestimated this in that there are further savings to be made in this process, but we are erring on the side of confidence that £1 million can be saved.”²¹

29. The Minister was also asked where the £1 million saving would be found, in term of whether it would be from the homelessness budget or if it would be picked up by local authorities as part of their own implementation of the homelessness agenda, the Minister confirmed he would provide funding to implement the new provisions,²² with local authorities being expected to break even in three years.²³

30. The Ministers official said the costings were modest,²⁴ and some local authorities are already making savings.²⁵

31. The Minister also believed that preventative work would be taking place to ensure the £1 million saving is achieved.²⁶

32. In written evidence to the Committee the Minister detailed further information on the financial impact of the removal of the blanket priority need status for former prisoners. In this paper the Minister says that the majority of the 1,100 prison leavers will have their housing needs met as a result of the prevention and relief stages of the Bill. Of the 495 prison leavers who pass to the relief stage, it is

²¹ Finance Committee, ROP, 5 February 2014, paragraph 108

²² Finance Committee, ROP, 5 February 2014, paragraph 118

²³ Finance Committee, ROP, 5 February 2014, paragraph 120

²⁴ Finance Committee, ROP, 5 February 2014, paragraph 120

²⁵ Finance Committee, ROP, 5 February 2014, paragraph 122

²⁶ Finance Committee, ROP, 5 February 2014, paragraph 135

estimated that 47 will be owed a full homelessness duty.²⁷ This is estimated to save approximately £1 million per financial year. In relation to the achievability of these savings, the Minister stated that these savings could be achieved even if the percentage of prison leavers in priority need is higher than the 10% anticipated.²⁸

33. The Minister was also questioned over whether recent changes to welfare reform are likely to increase the number of people presenting as homeless, and whether any extra finance is available to deal with this. The Minister said:

“There is no additional cash, Chair. We are, as all budgets are, of course, very tight in terms of what our spend profile is. However, I share ... the concern ...about the changes in welfare and so on, and the implications of those changes.

“We do not have a crystal ball, so we do not really know what that may or may not mean. However, we do believe that the whole change to the way that we deal with homeless prevention—and ‘prevention’ is the key word—does shape the system very differently.”²⁹

Committee view

34. The Committee notes the work the Welsh Government has conducted on sensitivity analyses allowing for a range of increases in homelessness applications. However, the sensitivity analyses show a range of possible increases in the number of people presenting as homeless as a result of the Bill coming into force and issues around welfare reform. In this context, the Committee is concerned that the Minister has said that there is no additional Welsh Government funding available above that detailed in the EM should the increases be towards the higher end of the sensitivity analyses.

The Committee recommends that the Minister sets out details of how he would expect any additional costs resulting from greater than expected increases in homelessness levels to be funded, given that additional Welsh Government funding is not available in these circumstances.

²⁷ www.senedd.assemblywales.org/documents/s24863/FIN4-04-14ptn1.pdf

²⁸ Finance Committee, ROP, 5 February 2014, paragraph 133

²⁹ Finance Committee, ROP, 5 February 2014, paragraph 143

35. In relation to the savings identified from removing automatic priority need status from prison leavers, the Committee notes that the Minister believes that the £1 million savings can be achieved even if the percentage of prison leavers is higher than the 10% expected. However, the Committee remains concerned about the reliability of the assumptions used to calculate this saving.

The Committee recommends that the Minister reconsider the estimated savings that can be achieved through removing automatic priority need status from prison leavers and provide clarity where savings will be achieved and where staff will be redeployed.

4. Gypsy and Traveller Sites

36. The Bill introduces a new duty for local authorities to make provision for Gypsy and Traveller sites. The additional costs of this duty are detailed in the RIA. Costs to the Welsh Government from 2015-16 onwards include £40,000 in monitoring and enforcement costs associated with local authority compliance with the duty. There will also be one-off costs in 2015-16 of £35,000 for the Welsh Government to produce statutory guidance and £5,000 for creating a DVD to communicate the new duty to the gypsy and traveller communities.

Additional resources to build extra Gypsy and Traveller sites

37. The Welsh Government currently has £1.5 million per financial year in available capital funding for new Gypsy and Traveller sites, and the costings in the RIA assumes that this scenario will continue. Using the Welsh Government's assumption (from the RIA) that a new site costs £1.5 million to develop, it currently has the ability to develop five new sites over the next five years. However, the RIA states that 14 local authorities may be in a position to develop a new gypsy and traveller site over the next five years.³⁰ A business case is currently being prepared within the Welsh Government to increase the amount of grant funding available to fund new gypsy and traveller sites.³¹ Should this business case be approved, there would be further additional costs to the Welsh Government. This would mean that total costs to the Welsh Government would rise from £7.5 million between 2015-16 and 2019-20 to £21 million.

38. If one extra site is built per year, there will be increased costs in pitch fees to the gypsy and traveller community of an additional £22,000 in each financial year as the new sites are built. This will lead to additional costs increasing by £22,000 per year from £22,000 in 2015-16 to £110,000 in 2019-20.

39. Currently the Gypsy and Traveller Sites Grant funds the development of new sites, as well as the refurbishment of existing

³⁰ National Assembly for Wales, [Explanatory Memorandum – Housing \(Wales\) Bill](#), page 86

³¹ National Assembly for Wales, [Explanatory Memorandum – Housing \(Wales\) Bill](#), page 8

sites.³² The RIA states that the current budget for new sites is £1.5 million per financial year, and that this amount would be enough to provide one new gypsy and traveller site per financial year.

Minister's evidence

40. The Committee asked the Minister whether there will be sufficient resources to meet the demand for new sites from the gypsy and traveller communities across Wales, he said:

“We believe that the £1.5 million will be there or thereabouts in terms of being the right amount of money for the development of new sites and the refurbishment of sites included in that. So, we do not see that as being under significant pressure in relation to the demand for new sites.”³³

41. The Minister was asked how much the new gypsy traveller site in Brecon which has recently been completed had cost. The Minister said the cost to the Welsh Government was £1.75 million,³⁴ in addition to further costs for the local authority. He also stated that the additional cost to the Welsh Government was above the usual £1.5 million due to the requirement for particular standards of buildings as the site is located in a national park. The Minister also noted that there will be some local authorities that will require larger sites costing more than £1.5 million, but also some that require smaller sites which will incur lower costs.³⁵

42. When asked further questions on whether the allocation of £1.5 million was adequate, the Minister said that if a local authority was prevented from discharging their duty to provide a site due to financial constraints that he would have to revisit the money allocated.³⁶

43. The Minister also sent a letter to the Committee in which he has outlined the allocated funding and the actual expenditure on gypsy and traveller sites over each financial year.³⁷

³² Welsh Government, [Gypsy and Traveller Sites Grant Guidance Notes](#), page 2 [accessed 24 January 2014]

³³ Finance Committee, ROP, 5 February 2014, paragraph 161

³⁴ Finance Committee, ROP, 5 February 2014, paragraph 191

³⁵ Finance Committee, ROP, 5 February 2014, paragraph 173

³⁶ Finance Committee, ROP, 5 February 2014, paragraph 164

³⁷ www.senedd.assemblywales.org/documents/s24863/FIN4-04-14ptn1.pdf

Committee view

44. The Committee notes the Ministers evidence in relation to gypsy and traveller sites, and the actual spending over the past six financial years, however the Committee also notes that the RIA outlines that 14 local authorities may be in a position to develop a new gypsy and traveller site over the next five years. Under the current funding proposals, the Welsh Government will be able to fund five new sites over this period. Additionally, the Brecon site has cost £1.75 million, which is more than the £1.5 million the Minister is allocating for the development of new sites, as well as the refurbishment of existing sites. It currently has 10 pitches, which is less than the 12 that the average cost for a new site is based on. Whilst the Committee notes that some sites will cost less than the Brecon site the allocation of £1.5 million does not seem adequate.

The Committee recommends the Minister amends the Bill to in relation to gypsy and travellers to reflect his assurance that the additional money to fund sites will be made available if required.

5. Council Tax on Empty Homes

45. The Bill will give local authorities discretion over whether or not to implement additional council tax on long-term empty homes at a rate of 150% of the applicable charge for the property. The costs of this will depend on the number of local authorities that decide to implement the policy.

Revenue raised from additional council tax on empty homes

46. Welsh Government officials have stated in oral evidence to the Communities, Equality and Local Government Committee that it is not possible to ring-fence the additional revenue raised by this policy, as the revenue is not hypothecated.³⁸ The RIA also estimates that if 17 local authorities take up the policy, they will receive payments of up to £11 million per financial year from owners of long term empty homes. The costings in the RIA assume that the All-Wales average of a 97% success rate in council tax collection applies to council tax collected from empty homes.³⁹

Staircasing of additional council tax levied on owners of long-term empty homes

47. Subsequent to the introduction of the Bill, the Minister has indicated that he would be prepared to consider proposals to ‘staircase’ the additional rate of council tax according to the length of time a property has been empty, and would welcome further discussion on this area during the scrutiny process of the Bill.⁴⁰

Minister’s evidence

48. When asked whether he had evidence that local authorities would collect additional tax on long term empty homes the Minister said:

“I expect local authorities to collect council tax on empty properties, should they wish to do so. If we put this process into context, this is an enabling power for local authorities to discharge a duty. It is entirely up to them, if they wish, to introduce an empty homes consequential within their local

³⁸ Communities, Equality and Local Government Committee, ROP, 12 December 2013, paragraphs 372-375

³⁹ National Assembly for Wales, [Explanatory Memorandum – Housing \(Wales\) Bill](#), page 132

⁴⁰ National Assembly for Wales, Plenary, [RoP](#), 19 November 2013

authority area. That is not a matter for me. This is a provision for them to do that. If we look at that in terms of how it would operate, should a local authority wish to implement this, it would certainly have a cost-benefit and an environmental benefit by discharging that duty. So, it is entirely a matter for authorities as to how they operate the scheme. If they wish to operate it, I would imagine that they would seek to put as much effort as possible into making sure that they could have the highest collection rate possible.”⁴¹

49. The Minister also stated that he is considering amending the Bill to introduce guidance allowing local authorities to have discretionary powers to ‘staircase’ the additional amount of council tax levied on long-term empty homes.⁴² In his letter to the Committee, the Minister said he will write to the Committee with details of financial implications of any amendments tabled.

Committee view

50. The Committee is concerned that the estimates of the additional revenue that local authorities will gain from levying additional council tax on empty homes may be overly optimistic due to the assumption of a 97% collection rate of council tax for long-term empty properties.

51. The Committee supports the Ministers consideration of amending the Bill to allow local authorities to have discretionary powers to ‘staircase’, the Committee believes that this will result in financial benefits for the local authority.

The Committee recommends that the Minister commits to publishing information identifying how much money has been raised by each local authority that collects additional council tax from empty homes.

⁴¹ Finance Committee, ROP, 5 February 2014, paragraph 236

⁴² Finance Committee, ROP, 5 February 2014, paragraphs 244-247

Witnesses

The following witness provided oral evidence to the Committee on the dates noted below. Transcripts of all oral evidence sessions can be viewed in full at:

www.senedd.assemblywales.org/mgIssueHistoryHome.aspx?IId=1243

Wednesday 5 February 2014

Carl Sargeant AM

Minister for Housing and
Regeneration

List of written evidence

The following provided written evidence to the Committee.

<i>Organisation</i>	<i>Reference</i>
Carl Sargeant AM Minister for Housing and Regeneration	FIN(4)-04-14(ptn1) www.senedd.assemblywales.org/documents/s24863/FIN4-04-14ptn1.pdf