|  |
| --- |
| WRITTEN STATEMENTBYTHE WELSH GOVERNMENT |

|  |  |
| --- | --- |
| **TITLE** | **Consultation** **on council tax: The valuation of Houses in Multiple Occupation (“HMOs”)** |
| **DATE** | **04 September 2024** |
| **BY** | **Rebecca Evans MS, Cabinet Secretary for Finance, Constitution and Cabinet Office** |

Today, I am launching a consultation on draft Regulations which propose changes to the way Houses in Multiple Occupation (HMOs) in Wales are valued and banded for council tax purposes, and draft Regulations which propose that the owner remains liable for the council tax.

HMOs provide an important source of accommodation for many people across Wales from all walks of life. This type of accommodation is lived in by families, young professionals, students and supports some of the most vulnerable and disadvantaged groups, such as those on low incomes. In recent years, high-quality HMOs are also being used to provide affordable accommodation.

The proposed changes will ensure that HMOs will be valued as a single property for council tax banding where appropriate, creating consistency across the sector, and providing certainty for councils, landlords and households. This will ease administrative burdens on councils and ensure the council tax liability will remain with the owner in the usual way, rather than councils billing individual tenants who may only occupy the property for a short period of time.

The consultation seeks views on draft Regulations:

* to ensure HMOs are banded as one property with one council tax band; and
* to ensure the HMO owner remains liable for council tax.

Attached to the consultation are two draft statutory instruments which would replace the Council Tax (Chargeable Dwellings) Order 1992 and the Council Tax (Liability for Owners) Regulations 1992 subject to the outcome of the consultation. I am proposing to take this opportunity to make new Wales-only legislation to aid accessibility. However, to be clear, the only proposed policy changes to the existing legislation relate to HMOs as set out above, and this is the focus of the consultation.

I am grateful for views on the proposals and the draft Regulations from anyone with views on the treatment of HMOs for council tax purposes, including from taxpayers, councils, landlords, HMO owners, tenants and anyone else who wishes to provide comments. The consultation will run for 12 weeks, and responses are required by 26 November 2024.

The consultation is available at:

<https://www.gov.wales/valuation-houses-multiple-occupation-hmos-council-tax>

This statement is being issued during recess in order to keep members informed. Should members wish me to make a further statement or to answer questions on this when the Senedd returns I would be happy to do so.