

Teignbridge District Council
Committee name – Full Council
Meeting date – 26.2.26

Ending 50% Council Tax Discount

Purpose of Report

To provide members with details about the proposal to remove the existing discretionary discount for properties that are undergoing or require major/ significant repairs or structural changes/work to make the property capable of being lived in.

This has been suggested by the Medium Term Financial Plan (MTFP) Task Group and recommended by Executive at their meeting on 2.12.25 to seek Full Council approval. The minutes of that meeting were approved at the Executive meeting on 6 January 2026.

Recommendation(s)

- (1) From 1st April 2026, the Council no longer offers the 50% Council Tax Discount for up to 12 months for properties that are deemed to be undergoing or require major/ significant repairs or structural changes/work ; and
- (2) Revokes the original decision to award the discount that was agreed by Full Council on 15 January 2013, that took effect from 1 April 2013.

Financial Implications

The financial implications are highlighted in section 2.1. This decision would create a financial saving to the Council.

Gordon Bryant – Head of Financial Services and Audit
Email: Gordon.Bryant@teignbridge.gov.uk

Legal or Governance Implications

The legal implications are highlighted in paras 2.2 of the report.
Maxine Valentine – Senior Legal Officer
Email: Maxine.valentine@teignbridge.gov.uk

Risk Assessment

This is considered to be low risk. See paras 2.3 of the report.

Nikki Rawley – Council Tax Lead
Email: Nikki.rawley@teignbridge.gov.uk

Environmental/ Climate Change Implications

There are no environmental or climate change implications associated with the recommendations of this report.

William Elliott - Climate Change Officer - wiliam.elliott@teignbridge.gov.uk

Report Author

Nikki Rawley – Council Tax Lead - Email: Nikki.rawley@teignbridge.gov.uk

Executive Member

Cllr John Parrott - Executive Member for Finance & Corporate
MTFP Chair – Councillor Thorne

Appendices/Background Papers

Appendix A - Page 8, Paragraph D of [\(Public Pack\)Supplement - MTFP Review Group Report Agenda Supplement for Overview and Scrutiny Committee, 11/11/2025 10:00](#)

Appendix B – Page 3, Paragraph 12.5 of [\(Public Pack\)Agenda Document for Executive, 02/12/2025 10:00](#)

Appendix C – Page 10, Paragraph 200.5 of [\(Public Pack\)Agenda Document for Executive, 06/01/2026 10:00](#)

Appendix D – Equality Impact Assessment

1. Introduction/Background

- 1.1. The Council currently offers a 50% Council Tax discount for a maximum period of 12 months to any unoccupied and unfurnished property that is deemed to be undergoing or require major/ significant repairs or structural changes/work.
- 1.2. The MTFP group has recommended the proposed removal of this discretionary discount from 1st April 2026 as first reviewed at the Overview and Scrutiny Committee Meeting on 11 November 2025 (Appendix A)
- 1.3. This was considered by Executive on 2 December 2025 (Appendix B) and minutes approved on 6 Jan 2026 (Appendix C)

2. Implications, Risk Management and Climate Change Impact

2.1. Financial

The costs of the 50% discount falls on the collection fund with each preceptor meeting the cost in proportion to their precept share.

Teignbridge's approximate 8% cost and potential savings are shown in the right-hand column:

Financial year	No of awards	Total	Teignbridge share 8% (approx.)
		£	£
2025/26(projected to *)	120	79,756	6,380
2024/25	150	80,598	6,448
2023/24	153	63,712	5,097

*Projected to 31 March 2026 and therefore subject to change)

Based on these costs, it's estimated a potential saving for Teignbridge of £6,000 would be created by no longer having this discount.

2.2. Legal or Governance

In considering making a decision to end this discretionary discount , Full Council must formally agree before 1st April to revoke the original decision made by Full Council on 15 January 2013. That decision took effect from 1 April 2013 and was made in accordance with existing powers

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introduced by the technical reforms to Council tax included in The Local Government Finance Act 2012.

It must also publish its decision in a local newspaper within 21 days of that decision. The new decision and its publication are made in accordance with Section 11A of the Local Government Finance act 1992 as amended by the Rating (Property in Common Occupation and The Council Tax (Prescribed Classes of Dwellings) Regulations 2003.

2.3. Risks - This is regarded as low risk.

It is possible this measure could deter Council Tax payers from taking steps to bring properties back into use but this risk would be largely mitigated by the Empty Homes premium which applies after a property has been regarded as unoccupied and unfurnished for 12 months. This increases the Council Tax charge by 100% so owners remain motivated to avoid the additional charge.

Owners on low incomes may struggle to fund repairs and losing the 50% discount could add financial challenges. For anyone who is experiencing financial hardship they have the opportunity to apply for support in accordance with the Council's Discretionary Discount Policy.

It is also worth noting that removing the 50% discount does not affect the opportunity for council tax payers to apply for a statutory 'uninhabitable' exception to any long term empty premium and will continue to encourage empty homes to be brought back into use.

Owners can also apply to the Valuation Office Agency to have derelict properties removed from the valuation list and reduce a liability to zero. Not all properties that would currently qualify for the discount would be eligible to be removed from the valuation list.

2.4. Administrative Impacts

Most customers who apply for the discount do not satisfy the "undergoing or requiring major works, repairs or structural changes" criteria. This results in significant administration with no benefit for the council tax payer. Removal of the discount will reduce the administrative burden.

2.5. Environmental/Climate Change Impact

None

3. Alternative Options

The Council decides not to revoke the 15 January 2013 decision and continues to offer the 50% Council Tax Discount for up to 12 months for any qualifying property.

4. Conclusion

This proposed change will impact on only a very small number of taxpayers but will increase revenue to Teignbridge and its precepting authorities, as well as potentially encourage properties back into use more quickly than they would otherwise have been. This change will also reduce the administrative burden on the Service - which in the majority of cases does not result in a successful outcome. There are also other forms of support available for council tax payers who may experience hardship as a result of this change.