

CYNGOR GWYNEDD'S CABINET



Report to Cyngor Gwynedd's Cabinet meeting

Meeting date:	7 July 2026
Cabinet Member:	Councillor Huw Wyn Jones, Cabinet Member for Finance
Contact Officer:	Dewi Morgan, Head of Finance
Contact Telephone No:	01286 682684
Item Title:	Allocation of income surplus from the Second Homes and Empty Homes Premium for 2025-26

1. DECISION SOUGHT

- 1.1. Allocate the additional income from the premium on empty properties and second homes to the priority areas set out in Part 4 below.

2. THE REASON FOR THE NEED FOR A DECISION

- 2.1. Councils are required to determine the use of the premium in accordance with the [Statutory Guidance Council Tax on empty and second homes | GOV.WALES](#)
- 2.2. The Council has collected income from the premium during 2025/26 that exceeded the estimates that need to be earmarked for priority areas.
- 2.3. In line with usual arrangements, an outturn review was carried out at the end of the financial year to calculate the Council's actual income and expenditure against the budget; this included a review of the income received from the premium.
- 2.4. The results of the work were reported to Cabinet at its meeting on 19 May 2026 and one of the decisions made was that an underspend of (£914k) on the Council Tax Premium in the 2025/26 financial year be transferred to the Council Tax Premium fund with its use to be determined by Cabinet: [Agenda for the Cabinet on Tuesday, 19th May, 2026, 1.00 p.m.](#)

3. INTRODUCTION

- 3.1. Cyngor Gwynedd has powers, under Council Tax legislation, to charge a premium on second homes and long-term empty homes. The premium generates additional income for the Council, and the statutory guidance sets clear expectations about how this income should be considered and used.
- 3.2. On 19 May 2026 Cabinet approved a programme of projects to allocate a total of £1,222,100 of Council Tax Premium income. This amount was a combination of £893,700 of additional income from increasing the empty property premium to 150% that is available from the 2026/27 financial year onwards, and £328,400 of previous years' income not previously allocated.

4. RATIONALE AND JUSTIFICATION FOR RECOMMENDING THE DECISION

Context

- 4.1. A total surplus of **£917,770** for 2025/26 is available for allocation, which is a combination of £3,700 of Premium up to and including 2024-25 which has not yet been committed (Cabinet report 19 May 2026) and £914,070 of 2025-26 Premium that was collected above commitments.
- 4.2. As has been noted in previous reports on the allocation of premium income, we will need to review the affordability of all commitments going forward in order to respond to potential fluctuations in the collection rate, property moves between domestic and non-domestic taxes; and costs increases.

Use of the Premium

- 4.3. Councils are required to consider the requirements of the [Statutory Guidance on the Council Tax on empty and second homes | GOV. WALES](#) in determining the use of the premium.
- 4.4. The discretion given to local authorities to charge a premium is intended to be a resource to help do the following:
 - ensuring that long-term empty properties are re-used to provide safe and affordable homes
 - helping local authorities increase the supply of affordable housing and make local communities more sustainable
- 4.5. Authorities can use the additional revenue for any purpose, but are encouraged to use it to help meet local housing needs, in line with the policy intentions of the premiums.
- 4.6. The Council is expected to publish, for the sake of transparency, how the additional income raised has been used to address the problems caused by long-term empty properties and second homes, or to address other local housing problems.

- 4.7. At the meeting on 19 May 2026, Cabinet decided on new commitments from the Council Tax Premium, meaning that the current use of the Premium for 2026-27 is:

	£
Housing Action Plan	8,115,120
Homelessness	3,369,510
Housing Posts	165,840
Taxation Posts	59,890
New Accountancy Post	60,040
New Taxation Posts	136,420
Permanent Homelessness Bids	936,880
Staffing of the Empty Housing Team	200,000
Reports and Preparatory Work	60,000
Empty Homes Grant	500,000
Vacant Property Enforcement Costs	50,000
Networking Forum	10,000
Community Fund	150,000
Online Tax Forms System (one-off)	78,500
Online Tax Forms System (permanent amount)	63,900
Recovery Officers	106,000

New Proposals

- 4.8. We have started by looking at the recent bids to identify any suitable applications of need from departments that were not funded through that process, as a starting point.

Permanent Amount £	One-Time Amount £	Description	Effect
95,180	330,000	Storage and Transport of household property in emergency accommodation / temporary accommodation	<p>There is a potential for all households accommodated in emergency accommodation to need assurance that their property is protected while waiting for permanent accommodation. In 2025/26, 632 households were placed in emergency accommodation.</p> <p>In an emotional and traumatic time of being homeless, the safe storage of personal belongings will provide reassurance to people who find themselves homeless, and will have easy access to them in line with their fundamental rights.</p>

			<p>Ensure that individuals' personal belongings (those with an emotional connection or sentimental value) are treated with respect</p> <p>Ensuring that the Council complies with its statutory duty</p> <p>Avoids a departmental overspend (in 2025-26 the overspend was £232,000)</p>
64,420		Project Manager position for the Housing Action Plan	The project manager will work on approximately 7 development projects during the year, as well as offering overall support to the objectives of the Housing Action Plan.
159,600	330,000	Total Amount	
	489,600		

- 4.9. It is recommended not to allocate the remainder at this point so that the commitments and their affordability are reviewed as part of the November Review so as not to over-commit due to the reasons set out in 3.1 above. The above means committing 53% of the estimated additional income.

5. EQUALITY IMPACT ASSESSMENT

- 5.1. An impact assessment on the proposals has been prepared and is included in the Annex. The assessment anticipates the neutral impact of the decision sought.

6. THE WELL-BEING OF FUTURE GENERATIONS (WALES) ACT 2015

- 6.1. There is a duty to act in accordance with the principle of sustainable development, which is to seek to ensure that the needs of the present are met without jeopardising the ability of future generations to meet their needs.
- 6.2. In acting in accordance with this general duty the Council needs to take into account the importance of long-term impact, being integrated, inclusive, collaborative and preventive in the development and implementation of the proposal before it.
- 6.3. In accordance with the requirements of the Act, Cyngor Gwynedd has adopted well-being objectives. Particular attention is drawn to the following objectives:
- Communities that thrive and thrive for the long term
 - Healthy and Independent Residents with a Good Quality of Life

- 6.4. The current Premium funds the Council's Housing Action Plan, which is a proactive attempt to strengthen the sustainability of those communities within Gwynedd that have a high number of second homes and long-term empty homes.
- 6.5. The Council's Housing Strategy sets out the vision of "Ensuring that the people of Gwynedd have access to a suitable and quality, affordable home that improves their quality of life".
- 6.6. The Strategy identifies five objectives that had to be met if the Council was to achieve this vision:
- Nobody is homeless in Gwynedd
 - Social housing available to everyone who needs one
 - Everyone's home in Gwynedd is affordable for them
 - Tai Gwynedd is environmentally friendly
 - Cartrefi have a positive influence on the health and well-being of the people of Gwynedd.
- 6.7. The Housing Action Plan includes a number of projects which, taken together, deliver on these objectives.

7. NEXT STEPS AND TIMETABLE

- 7.1. If Cabinet decides to fund the schemes outlined in the table above, they will be implemented in 2026/27.

Statutory Officers' Comments

Chief Finance Officer's comments:

I have worked with the Cabinet Member to prepare this report and confirm the contents.

Monitoring Officer's comments:

The allocation and prioritisation of the income from the premium is a matter for the Cabinet to decide. I am satisfied that the recommendation is appropriate and in line with the flexibility contained in the Statutory Guidance.