

# Press release: Tax rules for second-homes to be reviewed by ministers

A business rates 'loophole' which could be costing English councils millions in lost Council Tax is to be reviewed by ministers with a consultation launched today (7 November 2018).

Currently, second-home owners pay Council Tax on their properties including when the property is available to rent infrequently during the year.

Properties are valued for business rates when owners declare their property is available to let as 'holiday accommodation' for 140 days or more in a year.

Any property registered for business rates, rather than Council Tax, is likely to qualify for small business rate relief. This provides 100% relief from business rates, so no tax is due on properties with a rateable value of £12,000 or less.

Around 47,000 holiday lets in England are liable for business rates, of which circa 96% have rateable values of £12,000 or less. Currently there is no requirement for evidence to be produced that a property has actually been commercially let.

Genuine businesses can claim the relief to which they are entitled. However, the government is aware of concerns that owners of second homes which do not fall into this category, could exploit the system by not paying Council Tax, whilst still using local services.

Local Government Minister Rishi Sunak MP said:

We're aware of concerns that the current arrangements for valuing second homes for business rates and claiming relief do not provide strong enough protections against abuse.

We are seeking views on whether we should strengthen the checks already in place to ensure second-home owners have to pay Council Tax, while ensuring genuine holiday let businesses are able to demonstrate they are eligible for business rates relief.

The consultation will seek views on whether the current criteria should be strengthened to ensure second home owners are contributing to the local economy through the proper payment of council tax, or, for those genuinely renting out their property and supporting tourism, business rates.

View the [consultation](#) on this website – it will run until 16 January 2019.

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## [Press release: PM call with President Ghani: 7 November 2018](#)

A Downing Street spokesperson said:

This afternoon the Prime Minister spoke with President Ashraf Ghani of Afghanistan. The Prime Minister reiterated the UK's firm commitment to Afghanistan and congratulated President Ghani on the achievement of the first Afghan-led and secured election since 2001, praising the courage of the Afghan people who voted. The Prime Minister and President Ghani agreed that the elections mark an important step forward.

The Prime Minister commended President Ghani for his offer to the Taliban of talks without preconditions and the leaders agreed that the prospects for peace are more promising than they have been for a number of years. The Prime Minister pledged the UK's continuing support for a political settlement.

Both the Prime Minister and President Ghani paid tribute to the sacrifices made by UK and Afghan military personnel in Afghanistan and their continuing efforts in pursuit of peace.

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## **News story: Minister Adams honours courageous Armed Forces at his first official engagement in Wales.**

At his first official engagement as UK Government Minister for Wales, Nigel Adams will mark the bravery and commitment of our servicemen and women, past and present at the opening of the Welsh National Field of Remembrance at Cardiff Castle today (Wednesday 7 November).

Paying tribute to those who have fought and continue to do so, Mr. Adams will deliver a reading and plant a wooden cross bearing his own personal tribute to those who have made the ultimate sacrifice.

### **UK Government Minister for Wales, Nigel Adams said:**

In this centenary year it is more important than ever that we pause to think of every man and woman who has lived, fought and died defending our freedom. That is why I urge people from communities all over Wales to come together at this significant time of remembrance to ensure that the sacrifices made by our servicemen and women, and continue to make, are not forgotten.

“It is with great honour that I pay my personal tributes to those courageous men and women who have pledged their lives to the service of our country today, your commitment and bravery does not go unnoticed.”

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## News story: HMCTS public event – 6 November 2018

We hosted our second public event today (6 November 2018), inviting those who represent public court users to see first-hand the progress public user organisations have helped us to make over the last year.

The event itinerary was influenced by what attendees told us last year, offering longer activity sessions for guests to immerse themselves in our latest project developments. With both market stalls and hands on activity sessions available, over 160 participants were given the opportunity to engage with 27 project teams, attending across all jurisdictions.

Justice Minister Lucy Frazer said:

I was delighted to welcome so many stakeholders today and thank them for their invaluable contribution to our reform programme so far.

Their expertise and insight is vital as we continue to build a modern, world class justice system fit for the 21st century, and this was an opportunity for them to see the difference their time and commitment has made – even interacting with some of the products they have helped design.



Some of the attendee quotes included:

It's amazing how HMCTS projects have progressed compared to last year.

There was lots of good discussion around vulnerable defendants. I've gained a wider understanding of their access to services and how they access online plea.

Everyone that came to the Crime room really embraced the challenge questions that the projects were posing. There were some really great suggestions which the projects will take back and feed into their services.

So many active discussions going on – people were so engrossed that they were forgetting to move round to see other projects!

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# Statement to Parliament: EU Transport Council 29 and 30 October 2018

I attended the informal meeting of members of the Transport and Environment Councils in Graz, Austria on 29 and 30 October.

The programme for the Informal meetings included separate sessions for Transport and Environment Ministers and a joint session for both Ministers entitled 'Starting a new era: clean, safe and affordable mobility for Europe'.

On 29 October, Transport Ministers were invited to discuss the Commission's proposal on 'Discontinuing seasonal changes of time (summer time)'. My Noble Friend, The Rt Hon Lord Henley, (Parliamentary Under-Secretary, Department for Business, Energy and Industrial Strategy) represented the UK at this session and explained that the UK government does not support the proposed directive. He also noted the Commission had fallen short on the principles of subsidiarity and proportionality as has been highlighted by the decision of the House of Lords to issue a reasoned opinion. (The House of Commons European Scrutiny Committee has subsequently recommended that the House of Commons also issue a reasoned opinion on this matter.)

There was broad consensus in Council that the timetable proposed by the Commission was too short and thus there was widespread support for the Presidency's intention to provide for an extension. A small minority of Member States were notably critical of the proposal while the majority welcomed the initiative, albeit noting its deficiencies. Several Member States advocated the need to coordinate across borders in order to know the final time zone arrangements before taking the decision to abolish daylight saving.

Environment Ministers were then invited to discuss 'The Future of European Environmental Policy'. The Secretary of State for the Environment was represented by officials from the Department for Environment, Food and Rural Affairs. Ministers broadly agreed on the need for an eighth Environment Action Programme (EAP) with a consensus that it should take full account of climate change given the Report from the Intergovernmental Panel on Climate Change (IPCC) on Global Warming of 1.5 Celsius published last month.

At the joint session for Transport and Environment Ministers on 30 October, interventions were wide-ranging with common themes being the need to move towards zero emissions vehicles and enabling people to choose sustainable ways to travel. These themes were reflected in the Presidency's 'Graz Declaration' published after the meeting. For the UK, I stressed the importance of ambition to accelerate the development and introduction of zero emission vehicles, recalling that the Prime Minister had hosted the world's first zero emission vehicle summit in Birmingham recently.

The subject for the afternoon session was road safety. Transport Ministers

shared experiences with progress to date in reducing casualties and their perception of the challenges in making more progress. In my intervention I noted that human error was a factor in over 85% of road accidents, and that connected and automated vehicles offered opportunities to make our roads safer.

In the margins I met with a number of EU Transport Ministers to discuss current EU transport business and how relationships will evolve as the UK leaves the EU.