



Council Tax Charges on Empty Properties

(Empty Homes Premium)

2024

Document Version Information	
Policy Owner	Revenue and Benefits Manager
Committee	PFD Committee
Committee Approval Date	12.09.23
Last Review Date	19.01.24
Next Review Date	
Version	2.0

Contents

1.0	Introduction	Page 2
2.0	Purpose and principles of the policy	Page 2
3.0	The Empty Property Premium	Page 2
4.0	Purpose of the premium	Page 2
5.0	When might a premium be applied?	Page 3
6.0	When does a premium not apply?	Page 3
7.0	When does a premium end?	Page 4
8.0	The reset period	Page 4
9.0	The additional premium rates	Page 4
10.0	Hardship	Page 4
11.0	Appeals	Page 4
	Appendix 1	Page 6

1.0 Introduction

- 1.1 The Local Government Finance Act 1992 and associated regulations sets out the mechanism for levying council tax on domestic properties.
- 1.2 The regulations give councils some discretion in setting the level of council tax charged in respect of unoccupied properties.
- 1.3 The Rating (property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 allows councils to levy a higher amount of council tax for long-term empty dwellings that are unoccupied and unfurnished, known as empty property premium.
- 1.4 From 1st April 2024, The Levelling Up and Regeneration Act 2023, amends section 11B of the Local Government Finance Act 1992, by substituting the long-term empty period from '2 years' for '1 year'.

2.0 Purpose and principles of the policy

- 2.1 The purpose of this policy is to set out the charges to be levied in respect of empty unoccupied and unfurnished properties in relation to the council's discretionary powers.
- 2.2 This policy also sets out the guidelines to be applied when deciding whether an exception to applying the empty property premium may be considered.

3.0 The Empty Property Premium

- 3.1 Where a property has been unoccupied and substantially unfurnished for more than one year, an additional premium is added to the council tax charge.
- 3.2 The amount of the premium is based on the normal council tax band of the property. The band itself is not affected by the empty property premium.

4 Purpose of the premium

- 4.1 Empty homes benefit from services such as police and fire services, street lighting and road maintenance. Before the premium is added, owners are given one year at the standard council tax charge to enable them sufficient time to sell or rent out their properties, or to complete any major renovations that might be required.
- 4.2 The empty property premium is intended as an incentive to owners to ensure properties are occupied as soon as possible and not left empty. Empty homes attract vandalism, squatting and anti-social behaviour within our community.

5 When might a premium be applied?

- 5.1 The additional premium applies to the property. A change of ownership or tenancy will not affect the amount of additional premium charged.
- 5.2 If a customer acquires an empty property which has already been empty for a year or more and they do not intend to occupy immediately, they will not be required to pay the additional premium for the first 6 months. After that period, the relevant premium will continue to be charged.
- 5.3 Liability for the premium depends on how long the property has been empty: a change in ownership does not 'reset the clock.' As soon as the customer moves into the property, the premium will cease to apply. Liability for a council tax premium will not appear on the normal legal searches that are conducted when purchasing a property.
- 5.4 If a customer buys, or inherits, a property and they have not been able to sell it within one year of it becoming empty, the premium will be applied.
- 5.5 An empty property premium is payable one year after a property becomes empty, not a year after another council tax exemption ends. For instance, if a customer has inherited a property from a relative who has died, they may have benefited from a Class F council tax exemption. But when that exemption no longer applied, an empty homes premium would become payable a year after the property originally became empty.
- 5.6 When a property is reoccupied, the premium is no longer payable. However, if the property becomes empty again before the 'reset period' (6 weeks) has elapsed, the premium will apply again immediately. If the property is reoccupied for longer than the reset period, a further year's period will have to elapse before a premium can be charged again.

6 When does a premium not apply?

- 6.1 An empty property premium cannot be charged if:
- The property that had attracted the premium is let out. The tenant will then become liable for council tax payments. The premium will cease to apply because the property is no longer empty.
 - The property is empty because the owner has to live in armed forces accommodation for job-related purposes.
 - The property is an annexe that is being used as part of the main property (annexes will often have a council tax band of their own).
- 6.2 The council will consider waiving the premium for customers who meet the qualifying criteria as specified in 6.3 of this policy.
- 6.3 The Council will treat all requests to waiver the premium on their individual merits and will consider granting full or partial exemptions from the empty property premium in the following circumstances:
- When the owner can clearly demonstrate continuous, ongoing, and realistic efforts to sell or let their property over the year since it became empty.
 - Where the owner is experiencing particular legal or technical issues which are preventing the sale or letting of the property.

- Where the new owner needs to conduct substantial repairs before they can move in, and the length of time taken to carry out the repairs is reasonable.
- Where the taxpayer has gone into care or hospital, is severely mentally impaired or has gone elsewhere to provide care.
- The taxpayer has died and probate has yet to be granted.

7 When does a premium end?

- 7.1 To end the additional empty property premium charge, the property must be back in use and the property must be furnished to a level which would mean the property was capable of occupation i.e. bed, sofa, table, chairs, wardrobe/chest of drawers etc.

8 The reset period.

- 8.1 When a property is reoccupied, the premium is no longer payable. However, if the property becomes empty again before the reset period (six-weeks) has elapsed, the premium will apply again immediately. If the property is reoccupied for longer than the reset period, a further year's period will have to elapse before a premium can be charged again.

9 The additional premium rates.

- 9.1 Additional premiums can be added to properties which have been unoccupied for more than 1, 5 or 10 years. As shown in the table below:

Empty period.	Additional Premium rate charged.	Maximum charge as a percentage of the standard bill.
1 – 5 years	100%	200%
5 – 10 years	200%	300%
+ 10 years	300%	400%

10.0 Hardship

- 10.1 Any person who believes they are suffering financial hardship due to exceptional circumstances may make a request for relief from the charges under section 13A of the Local Government Finance Act.

11.0 Appeals

- 11.1 Any person who disagrees with the amount of council tax they are liable to pay can appeal. To do this they must:
- Write to the council stating what the issue is.

The customer will be sent a response with the reasons for the decision made. If they remain dissatisfied or do not receive a response within 2 months, then can appeal to the Valuations Tribunal.

- Further details on how to appeal to the Valuations Tribunal can be found here [Council tax liability appeal - Valuation Tribunal Service](#) or by contacting the Valuations Tribunal Service directly on 0303 445 8100.

Appendix 1 – Second Home Premiums

From April 1st 2025, the Levelling up and Regeneration Act 2023 introduces discretionary powers for local authorities to set a 100% empty homes premium to “substantially furnished” properties that have no permanent resident. This covers properties that are used as second homes by their owners. The liable person will therefore pay 200% Council Tax.

If a property is furnished but no one lives there, or the owner’s main home is elsewhere, then it is likely to qualify as a second home for Council Tax purposes and incur the additional 100% premium.

The minimum term before the second home premium will be applied is one year.