

Council Tax charges on Empty Properties Policy

(Long-term empty and second home
Premiums)

2025/2026

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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'.
- 1.5 The Council Tax (Prescribed Classes of Dwellings and Consequential Amendments) (England) Regulations 2024 come into force from 1st November 2024 and will be effective from 1st April 2025.

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 Empty Property Premiums

- 3.1 Where a property has been unoccupied and substantially unfurnished for more than one year, an additional long term empty premium is added to the council tax charge.
- 3.2 Where a property has been unoccupied and substantially furnished for more than one year, an additional second homes premium will be added to the Council Tax charge.
- 3.3 The amount of the premium is based on the normal council tax band of the property. The band itself is not affected by the premiums.

4 Purpose of the long-term empty property 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 long-term empty property 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 long-term empty premium not apply?

- 6.1 An empty property premium will not apply if:
 - The empty property is an annexe
 - You're in the armed forces and you have to move into armed forces accommodation as part of your work.
- 6.2 Exceptions from the premium
 - **Properties undergoing probate:** Inherited properties have a 12-month exception from the empty homes premium after probate or letters of administration have been granted. The property will be liable for the standard rate of Council Tax once the class F exemption has ended; but a premium cannot be levied for a 12-month period.
 - **Properties being actively marketed for sale or let:** A 12-month exception will apply to properties that are actively marketed for sale or let. The exception will run from when the exception first applies until the end of the exception period or until the property is no longer actively marketed, sold or let (whichever is sooner).
 - **Empty properties undergoing major repairs:** A 12-month exception from the premium for properties undergoing major repairs or structural alterations.

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 waive 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 long-term empty 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 long-term empty 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.

12.0 Second Home Premiums

12.1 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.

12.2 On 26th March 2024, the Council’s Policy, Finance and Development Committee agreed to approve the amendments to this policy to introduce the Second Homes Premiums.

12.3 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.

12.4 The person liable for Council Tax of a Second Home will pay the standard Council Tax charge, plus a 100% premium.

12.5 Exceptions

- **Properties undergoing probate:** Inherited properties have a 12-month exception from the empty homes premium after probate or letters of administration have been granted. The property will be liable for the standard rate of Council Tax once the class F exemption has ended; but a premium cannot be levied for a 12-month period.
- **Properties being actively marketed for sale or let:** A 12-month exception will apply to properties that are actively marketed for sale or let. The exception will run from when the exception first applies until the end of the exception period or until the property is no longer actively marketed, sold or let (whichever is sooner).
- **Annexes forming part of, or being treated as part of, the main dwelling:** An exception to the premium will apply to Annexes which form part of a single property which includes at least one other dwelling. The exception will not apply to annexes where they are not being used as part of the main residence.
- **Job related dwellings:** An exception will apply to the premium for job-related dwellings. This exception will not apply to cases where someone chooses to have an additional property to be closer to work while having a family elsewhere or where an individual is posted to a new location but maintain their previous address.
- **Occupied caravan pitches and boat moorings:** A pitch occupied by a caravan and a mooring occupied by a boat are an exception to the second homes premium.
- **Seasonal homes where year-round or permanent occupation is prohibited or has a specified use:** An exception will apply where properties have planning restrictions or other conditions on occupation or use in place which prevent year-round occupation.