



Council Tax

Empty Homes Premium Policy

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1. Introduction

This document sets out Burnley Borough Council's policy on the application of the Council Tax Empty Homes Premium.

It also considers factors and circumstances that the Council will take into account when deciding if an exception to the Premium is appropriate.

On 1 April 2013, Council Tax Empty Homes Premium of 50% was introduced in Burnley for long-term empty properties. This charge was raised on properties that had been unoccupied and substantially unfurnished for over 2 years.

From 1 April 2019, the law changed giving Councils the freedom to increase the Premium charged from 50% to 100%, which the Council agreed at its meeting on 20 February 2019. Further increases in the percentage amount of Council Tax Premium are allowed from 1 April 2020 and 1 April 2021, and are shown below.

2. The Council Tax Empty Homes Premium

In accordance with the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018, the Council Tax Premium will be applied as follows:-

From 1 April 2019

- Properties empty for over 2 years – the maximum Premium will be 100% (increased from 50%) – equivalent to a Council Tax charge x 2

From 1 April 2020

- Properties empty for a period of 2 to 5 years – the maximum Premium will be 100% - equivalent to a Council Tax charge x 2
- Properties empty for a period of more than 5 years – the maximum Premium will be 200% - equivalent to a Council Tax charge x 3

From 1 April 2021

- Properties empty for a period of 2 to 5 years – the maximum Premium will be 100%- equivalent to a Council Tax charge x 2
- Properties empty for a period of 5 to 10 years – the maximum Premium will be 200%- equivalent to a Council Tax charge x 3
- Properties empty for a period of more than 10 years – the maximum Premium will be 300% - equivalent to a Council Tax charge x 4

3. Exceptions to the Council Tax Empty Premium Charge

The Council will consider waiving the Council Tax Premium for applicants who meet the qualifying criteria as specified in these guidelines.

Where the Council agrees to waive the Premium, this means that the owner of the property will remain liable for the standard Council Tax charge of 100% for the applicable property.

The Council will treat all applications on their individual merits and will seek to grant exceptions to liability for the Council Tax Premium in the following situations:

- a) Those owners who are genuinely attempting to sell or let their property
- b) Those owners who are experiencing particular legal or technical issues which is preventing the sale or letting of the property
- c) Those owners whose properties are currently covered under the Council's Discount for Renovated Empty Homes Scheme.
- d) Cases where the dwelling has remained empty beyond a two year period due to exceptional and/or unforeseen circumstances and/or any other circumstances, proven to be beyond the control of the owner/liable person.

In deciding whether to award an exception to payment of the Council Tax Premium, the Council will take into account the following criteria:

- a) **For those owners who are genuinely attempting to sell or let their property which has been vacant for at least two years**
 - Has professional advice and assistance been obtained?
 - Has a professional agent with specialist knowledge of the locality been engaged?
 - Have any offers to purchase or rent the property been received? If yes – why were those offers refused?
 - Is the sale price or rental in line with recent sale or rental prices for similar properties in the locality? If no, does this property have special features that reasonably warrant a higher value or rent?
 - Has the property been put up for sale by public auction?
- b) **For those owners who are experiencing particular legal or technical issues which is preventing the sale or letting of the property**
 - Is there a legal difficulty or issue which is preventing the sale or letting of the property?
 - A Solicitor's or Legal Conveyancer's letter should be produced in evidence detailing the reasons preventing sale or letting
 - Is a sale or letting being delayed by the actions of a public body?

c) **For those owners whose properties are currently covered under the Council's Discount for Renovated Empty Homes scheme.**

In line with the Council policy, the property must be:

- In a state of disrepair that includes the presence of significant or multiple Category 1 hazards as defined by the Housing Act 2004.
- Currently vacant and has been in a vacant state for a minimum of 12 months.
- Unfurnished.
- Occupied as a household's main or principle home within a period of six months from the date of issue of the schedule of works.

The renovation works must be

- Completed within a period of six months and the property occupied
- Completed to the Council's Gold Accreditation Standard
- Defined and set out by an appropriate officer of the Council in a schedule of works that is issued to the owner. Renovation work cannot start until the schedule of work is received.
- Signed off as complete and satisfactory in line with the issued schedule of works by an appropriate officer of the Council at the end of the renovation period.
- Include all relevant safety certificates such as a Gas Safety Certificate, an Electrical Condition Report and, if required, Building Regulations Approval.

d) **Cases where the dwelling has remained empty beyond a two year period due to exceptional and /or unforeseen circumstances and / or any other circumstances, proven to be beyond the control of the owner/liable person**

- Are the circumstances exceptional or unforeseen?
- Decision to be based on evidence and considered on the merits of each individual case

4. Changes of Circumstances

The Council may need to revise the decision to grant an exception to the Premium if it becomes aware that the circumstances of an applicant have materially changed.

Individuals must immediately advise the Council of any change in circumstances affecting the decision within 21 days of the change.

Failure to do so may result in the exception being revoked in full.

5. Claiming a Local Exception to the Council Tax Premium

A claim must be made on the relevant application form available at www.burnley.gov.uk by the owner of the vacant property or their representative. Relevant supporting evidence must be made available.

The Council may visit any applicant to confirm the details provided are accurate, which may necessitate being given access to the premises.

Payment of Council Tax, including the Premium, may not be withheld whilst awaiting the outcome of an application or the review of a previous decision.

6. Period of Exception

In all cases, the Council will decide the length of time for which an exception will be awarded on the basis of the evidence supplied and the facts known.

The start date of an exception will normally be the date the application is received by the Council, providing the Council is satisfied the reasons for the exception existed at that time, and the exception will continue until the end of the financial year, subject to those circumstances continuing.

The Council will review the award and request confirmation that the circumstances leading to the award of the exception remain applicable. The Council reserves the right to make routine inspections of the property at any point during the period of the exception.

It is expected that the property will be occupied by the end of the period of exception. Where this is the case, the Premium will no longer apply.

Where that is not the case, and the Property remains empty, the exception will be removed and Premium will be charged retrospectively.

The Council will not award exceptions to the Premium where evidence shows that the Owner:-

- a) Has not taken all reasonable steps to return the property to occupation;
- b) Has caused any delay in works being started within the six month period from the date of their taking ownership.
- c) Is responsible for the delay in completing works even if the works were started within the six-month period after a change in ownership.

7. Notification

The Council will inform the applicant, in writing, of the outcome of their application within 28 days of receipt, or as soon as possible after. Where the application is unsuccessful, the Council will set out the reasons why this decision was made and explain the right of review.

8. The Right to Seek a Review of the Council's Decision

As there is no statutory appeals mechanism, the Council will operate its own appeals procedure. This will apply where a decision not to defer the Premium has been made and an applicant disagrees with that decision and requests a review.

A request for a review must be made in writing to the Council's Head of Finance and Property within one calendar month of the written decision being issued.

The Head of Finance and Property will review all the evidence held and may ask for further clarification to be provided.

A decision on the review will be made within 20 working days of the request. The decision will be notified to the applicant in writing, setting out the reasons for the decision and this will be final with no further right of appeal.