



Council Tax Empty Homes Premium Policy Guidelines

1. Introduction

This document sets out Cherwell District Council's (the Council) policy on the application of the Council Tax Empty Homes Premium (the Premium). It also considers factors that the Council will consider when deciding whether to defer the payment of the Premium, which is applied in addition to the full amount of council tax being charged.

Within the framework of the Council's Empty Homes Strategy, in recent years the Council has pro-actively taken action to reduce the number of long-term empty properties, both to deal with the blight caused by such properties and to increase the housing supply.

In 2016 the introduction of the Council Tax Empty Homes Premium for properties that have been empty for more than 2 years was introduced. Cherwell District Council commenced charging the additional premium effective from 1 April 2016.

The Council Tax Empty Homes Premium

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

From 1 April 2016

Properties empty for over 2 years – the maximum premium will be 50%

From 1 April 2019

Properties empty for over 2 years – the premium will be 100% (increased from 50%)

From 1 April 2020

Properties empty for a period of 2 to 5 years – the maximum premium will be 100%

Properties empty for a period of more than 5 years – the maximum premium will be 200%

From 1 April 2023

Properties empty for a period of 2 to 5 years – the maximum premium will be 100%

Properties empty for a period of 5 to 10 years – the maximum premium will be 200%

Properties empty for a period of more than 10 years – the maximum premium will be 300%

From 1 April 2025

Properties empty for a period of 1 to 5 years – the maximum premium will be 100%

Properties empty for a period of 5 to 10 years – the maximum premium will be 200%

Properties empty for a period of more than 10 years – the maximum premium will be 300%

2. Deferring the Council Tax Empty Premium Charge

The Council accepts that there are certain circumstances where it is reasonable to consider deferring the Premium. These are as follows: -

- Where the owner can clearly demonstrate continuous, ongoing, and realistic efforts to sell or let their property over the last two years since it become empty
- Where the owner is experiencing legal or technical issues which is preventing the sale or letting of the property – ***Evidence from a legal professional will be required in these circumstances giving an indication of a reasonable time period in which the legal/technical issue should be resolved***
- With effect from 1 April 2019, where the property had been emptying for two years or more and the new owner needs to carry out major repairs before they move in. In this scenario the decision to grant a full or partial waiver will consider the major repairs required and what is considered a reasonable time to complete the repairs – ***A surveyor's report may be requested in these circumstances including an indication of the likely time to carry out repairs.***

Any deferral of the Premium agreed by the Council will not apply for any period prior to 1 April 2016.

Where the Council agrees to defer the Premium, this will mean that the Owner of the Property will remain liable only for the standard Council Tax charge this will be at the rate of 100% for the applicable property for the agreed period of deferral.

It is expected that the property will have been brought back into occupation by the end of the period of deferral. Where this is the case, the Premium will no longer apply

Each application for a deferral of the Council Tax Empty Homes Premium will be considered on its own merits and in accordance with these Policy guidelines.

The council may use its discretion to suspend recovery proceedings of the council tax charge and premium with a solicitor undertaking that the charge is paid once the sale is complete. This will be limited to a maximum period of 12 months in total.

3. Period of Deferral

The Council will decide the length of time for which the Premium will be deferred. As indicated above, this will be on basis of the evidence supplied and the facts known. The maximum period for deferring the Premium will be 12 months in total

The Council will only allow one period of deferral (lasting individually or cumulatively for 12 months) per Property (regardless of a change in Ownership).

The period of deferral will normally start from the date an application and supporting evidence is received by the Council. The Council must be satisfied that the circumstances supporting the deferral existed at the time of the application. The deferral will continue for a period of up to 12 months so long as those circumstances remain unchanged.

The Council reserves the right to make routine inspections of the property during the period of the deferral and may review the award to satisfy itself that the circumstances of the deferral remain applicable.

The start date for deferring will normally be the date the application is received by the Council providing the Council is satisfied the reasons for the exemption existed at that time and the exemption will continue for a period of twelve months subject to those circumstances continuing.

The Council will comply with any Regulations issued by the Secretary of State in relation to any application and have regard to any related national policy guidance.

<https://www.gov.uk/government/publications/long-term-empty-homes-and-second-homes-council-tax-premiums-and-exceptions>

4. Claiming a deferral of the Council Tax Empty Homes Premium

All applications under these policy guidelines to defer the Premium must be made in writing /email and be signed by the owner of the empty property or their representative.

The Council may arrange an appointment to visit any applicant who is unable to complete the application form or to verify the details provided which may require access to the empty premises.

The applicant must include all relevant supporting evidence such as surveyor and legal professional reports when submitting their application. The Council may reasonably request additional evidence in support of an application. This must be provided within one month of such a request. If the additional evidence is not provided within this timescale the application will be determined on the evidence submitted but may fail due to insufficient evidence.

The Council reserves the right to verify any information or evidence provided by the Applicant with third parties where appropriate.

Payment of Council Tax and the Empty Homes Premium should not be withheld whilst awaiting the outcome of an application or the review of a previous decision move to review section.

5. Changes of Circumstances

The Council may need to withdraw the deferral of the premium if the circumstances relating to the empty property have materially changed (such as the work being completed).

The applicant must notify the Council of any change in circumstances affecting the deferral within 21 days. Failure to do so may result in the deferral being revoked in full.

A deferral will be withdrawn effective from the date on which the change in circumstances occurred. From the date the premium will be due.

6. 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 thereafter. Where the application is unsuccessful, the Council will set out the reasons why this decision was made and explain the right of review.

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

As there are 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 Assistant Director of Finance within one calendar month of the written decision being issued. The Assistant Director of Finance 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.