Borough Council of
King's Lynn &
West Norfolk

REPORT TO CABINET

DATE OF MEETING	17 November 2026
REPORT TITLE	Council Tax Discounts, Levies and Premiums for Empty Properties and Second Homes for 2027/2028
LEAD MEMBER	Cllr Chris Morley, Cabinet Member for Finance
LEAD OFFICER	Jo Stanton, Revenues and Benefits Manager
CONSULTEES	Cabinet
WARDS AFFECTED	All wards, with a greater concentration of affected properties in some coastal and rural communities.

KEY DECISION	YES: Affects a number of wards and relates to income of £500,000 or more
DECISION MAKER	Recommendations to Council
IS THE REPORT OPEN OR EXEMPT	OPEN

FINANCIAL IMPLICATIONS	YES
HR IMPLICATIONS	NO
POLICY IMPLICATIONS	YES
STATUTORY IMPLICATIONS	YES
RISK MANAGEMENT IMPLICATIONS	YES
ENVIRONMENTAL IMPLICATIONS	NO
EQUALITY IMPACT ASSESSMENT COMPLETED	PRE-SCREEN COMPLETED

SUMMARY OF REPORT

Councils have discretionary powers to vary the discounts for empty properties, uninhabitable properties and second homes, and to charge additional premiums (levies) for long-term empty properties and second homes.

Councils will retain their proportionate share of any additional income raised by reducing discounts or charging levies and premiums. For 2027/2028 estimated additional income of £6.5m will be raised for distribution between the precepting bodies, the majority of which is attributable to Norfolk County Council.

This report summarises the current position and makes recommendations for the discounts and premiums for empty properties, uninhabitable properties and second homes for 2027/2028.

RECOMMENDATIONS

Recommendation to Full Council:

The following discounts, levies and premiums are continued for 2027/2028, subject to the Statutory Exceptions:

Class A Second Homes:

- 0% discount, i.e. no reduction;

Class B Second Homes:

- 0% discount i.e. no reduction, plus,
- An additional premium of 100% - subject to negotiation with Norfolk County Council, to return to BCKLWN a 25% share of the additional income generated by the second homes premium in line with those arrangements agreed in 2024/25 and 2025/26

Class C Empty / Unfurnished Properties:

- 0% discount, i.e. no reduction, plus,
- The relevant Long-Term Empty Property Levy (as below)

Class D Uninhabitable Properties:

- 25% discount for 12 months starting on the day the property becomes uninhabitable; then:
- 0% discount once the 12-month period has expired, plus
- The relevant Long-Term Empty Property Levy (as below)

Long-Term Empty Properties (following on from Class C and Class D above):

- A premium of 100% where the property has been empty for at least one year but less than five years,
- A premium of 200% where the property has been empty for at least five years but less than ten years, and
- A premium of 300% where the property has been empty for at least ten years.

That authority be delegated to the Leader of the Council, in consultation with the Section 151 Officer, to negotiate and agree with Norfolk County Council the proportion of additional Council Tax income arising from the second homes premium to be returned to the Borough Council for 2027/2028.

REASON FOR DECISION

The decision to vary the levels of discounts and to charge an additional premium or levy for empty properties is at the discretion of the Council. The decision must be ratified each year by full Council.

This report ensures the decision on the levels of discounts, levies, premiums for empty properties, uninhabitable properties and second homes is made for 2027/2028. Delegating the authority to negotiate with Norfolk County Council allows discussions to be undertaken for the return of a proportion of the additional income to support priorities within West Norfolk.

CORPORATE STRATEGY **How does this proposal support our Corporate Priorities** Our priorities | Corporate Strategy 2023 - 2027 | Borough Council of King's Lynn & West Norfolk	
Promote growth and prosperity to benefit West Norfolk	The proposal supports growth and prosperity by encouraging empty homes and second homes to be used as permanent homes where possible, helping to support sustainable communities and the local economy. The additional income raised also supports the council's financial position and helps fund local services.
Protect our Environment	There are no direct environmental implications.
Efficient and effective delivery of our services	The proposal continues an established policy and can be administered through existing council tax processes.
Support our communities	The proposal supports communities by recognising the impact that empty properties and second homes can have on local areas, particularly in parts of the borough where housing availability is more limited. Continuing the current premiums and levies helps encourage properties to be occupied as permanent homes and contributes additional income to support local services, including housing and homelessness work. Allowing a 25% discount for uninhabitable properties recognises that these dwellings need some additional support before they can be brought back into use.

REPORT DETAIL

1. Introduction

1.1 This report outlines the proposed council tax discounts, levies and premiums for empty properties, uninhabitable properties and second homes for 2027/2028. The proposed discounts and premiums aim to incentivise the use of empty properties, bringing them back into use as permanent homes. The additional income generated will be used for local services including housing and homelessness prevention.

2. Background

2.1 Councils have powers to vary the nationally set council tax discounts for empty properties, second homes and uninhabitable properties, and to charge premiums (levies) for long-term empty properties and second homes. These powers are discretionary and decisions in respect of these discounts and premiums must be ratified annually by full Council.

2.2 Allowing councils to vary discounts and charge premiums or levies is intended to encourage better use of housing stock. For empty properties, the approach is intended to encourage owners to bring homes back into use. Giving a reduction for uninhabitable properties recognises these properties need work to bring them back into use and also allows owners an extra year before levies are imposed. Continuing a higher charge for second homes recognises the impact these properties can have on local housing availability, council incomes and the delivery of local services.

2.3 The discretionary powers do not include changing the reduction for any property which is exempt from payment of council tax, for example where a resident has gone into care or where the owner has passed away and probate has not yet been granted. These properties continue to benefit from a full council tax reduction.

2.4 The changes to the discounts and levies for empty properties are well established. Empty properties have not received any council tax discount since 2019, and long-term empty properties have paid some form of levy since 2013. The Council introduced the 100% second home premium from 1 April 2025. Comprehensive information covering the introduction of the premium, including links to meeting papers and recordings, Frequently Asked Questions and Exceptions is included on the Council's website at www.west-norfolk.gov.uk/secondhomes.

2.5 The recommendations for discounts, levies and premiums for empty properties, uninhabitable properties and second homes for 2027/2028 are shown below. These are a continuation of the 2026/2027 discounts, levies and premiums.

Table 1: Proposed Discounts, Levies and Premiums for Empty Properties, Uninhabitable Properties and Second Homes for 2027/2028

Property Type	Definition	Proposed Discount	Proposed Premium or Levy	Number on 1 September 2026
All Properties	All domestic properties on the Council Tax list			77,045
Class A and Class B Properties **Furnished properties which are no-one's main home** (commonly	Class A properties have a restriction on occupancy for at least 28 days a year. Class B properties have no occupancy restriction and pay the Premium.	0%	100%	2,667 Plus 509 properties subject to an exception. Total second homes = 3,176

referred to as Second Homes).	There are exceptions to the Second Home Premium, as described in paragraph 2.7.			
Class C **Empty and Unfurnished Properties**	Properties where there is no occupier and no furniture in the property. The charge depends on how long the property has been empty as below:			
	Properties which have been empty and unfurnished for less than a year	0%	0%	1,355
	Properties which have been empty and unfurnished for at least one year but less than five years	0%	100%	974
	Properties which have been empty and unfurnished for at least five years but less than ten years	0%	200%	83
	Properties which have been empty and unfurnished for at least ten years.	0%	300%	23
	Total empty and unfurnished properties *These exclude any empty property which qualifies for an exemption from payment of council tax, including those where the resident is now in a care home or where the council taxpayer has passed away and probate has not yet been granted.*			2,255 Plus 148 properties subject to an exception Total empty and unfurnished properties 2,403
Class D **Uninhabitable Properties**	Properties which are uninhabitable as they require, or are undergoing, work to their structure such as the roof, walls, floors, ceilings and foundations. Once the 12-month discount expires these	25% for 12 months	0%	72

	properties are treated as empty and unfurnished properties.			

2.6 Not included in the table above are 1,159 properties which are commercially let self-catering accommodation. These are shown in the business rates list and do not pay council tax.

2.7 The regulations include a number of statutory exceptions to the long-term empty property levies and second home premium, including a 12-month deferral for properties genuinely available for sale or for let, permanent exceptions for certain taxpayers serving in the Armed Forces, and extensions for properties after probate has been granted. In addition, there are Delegated Powers for individual applications to be considered. The Exceptions Policy was agreed in 2024 and is attached at appendix B. No changes are proposed for 2027/2028.

3. Proposal

3.1 The proposal is to continue with the current levels of council tax discounts, levies and premiums for 2027/2028.

3.2 The majority of the additional Council Tax income generated by the second homes premium is attributable to Norfolk County Council as the principal precepting authority. In previous years arrangements have been discussed with the County Council regarding the return of a proportion of this additional income to the Borough Council. It is proposed that authority is delegated to the Leader, in consultation with the Section 151 Officer, to negotiate and agree the level of any contribution to be returned for 2027/2028.

4. Options Considered

4.1 The council tax discounts, levies and premiums have been in place for several years and are the established charges for these types of properties. The premium for second homes was introduced in April 2025, and 2027/2028 will be the third year it has been charged.

4.2.1 Increasing or reinstating discounts

The option of reinstating or increasing discounts was considered but is not recommended. This would reduce the council tax charge for empty properties and second homes, reduce council tax income and would not support the policy objective of encouraging empty homes to be brought back into use.

4.2.2 Varying charges within the area

The option of applying different premiums or discounts in different areas was considered but is not recommended. It may encourage a postcode lottery, where empty property and second homeowners relocate to areas where the charge is lower placing additional housing pressures on these locations. A borough-wide approach is simpler to administer, easier for taxpayers to understand and ensures the policy is applied consistently.

4.2.3 Not charging premiums or levies

The option of not charging additional amounts for long-term empty properties and second homes was considered but is not recommended. Removing these charges would weaken the policy objective of encouraging empty properties and second homes to be used as main homes and reduce the additional council tax income supporting housing and homelessness services. Whilst the majority of the income goes to Norfolk County Council, the Borough still retains a significant sum which is included in the projections in the financial strategy.

4.2.4 Charging a lower percentage premium or levy

The option of reducing the percentage charge for the long-term empty levy and second home premium was considered but is not recommended. The current levels were agreed by Council, are consistent with the existing policy approach and support the council tax base. They are also in line with the levies and premiums charged by neighbouring authorities with high numbers of these types of property. Reducing the percentage would reduce income without providing a clear policy benefit, and a lower charge could encourage more empty properties and second homes into the area.

5. Financial Implications

5.1 The proposals have financial implications because reducing discounts and charging premiums and levies affects the council tax base and the amount of council tax income raised.

5.2 For 2027/2028 the estimated additional income from the second homes premium is £6.51m. This is distributed between the precepting bodies in accordance with their share of the council tax precept, with approximately £4.94m to Norfolk County Council, £0.92m to Norfolk Police, £0.42m to the Borough Council and £0.23m to parish and town councils.

5.3 In 2025/2026, Norfolk County Council agreed to return 25% (£1,191,731) of its additional income arising from the second homes premium to the Borough Council. The funding was earmarked for affordable housing and homelessness priorities and is being used to support the recruitment of an Empty Homes Officer and the delivery of additional affordable rented homes in the borough.

5.4 For 2026/2027, the Borough Council’s share is estimated at £1.134 million and is subject to reconciliation against the actual position at year end. This is also being applied to agreed homelessness priorities.

5.5 For 2027/2028, the Council will seek to negotiate the return of a proportion of the County Council’s additional income arising from the second homes premium, with the aim of securing a contribution equivalent to the 25% agreed in the previous two years. As the outcome of those negotiations is not yet known, no additional income will be included in the Council’s financial projections unless and until an agreement has been reached.

5.6 There is a risk the projections will change due to customer behaviour or fluctuations in the number of empty properties and second homes. The intention of the proposal is to bring empty properties and second homes back into use as main homes so a fall in the number of these types of properties is to be expected. Changes in the number of empty properties and second homes will be reflected in the tax base. It is expected that growth from new properties will provide a degree of offset, but the overall position will continue to be monitored through the Council Tax base and Collection Fund processes.

5.7 The proposal is a key element of the taxbase calculation and is part of the projections within the medium-term financial strategy. The council's share of the additional income supports the budget and this strategy.

6. HR Implications

6.1 None.

7. Policy Implications

7.1 This continues an existing policy. There are no new implications, as no changes are recommended. The proposals support the Corporate Strategy objective of **Growth and Prosperity** by encouraging effective use of housing stock and bringing properties back into use as main homes. They also support the objective to **Support our Communities** by recognising the impact of empty properties and second homes on local communities and housing availability, and by investing in our Housing and Homelessness services.

8. Climate Change and Environmental Implications and considerations

8.1 None

9. Statutory and Legal Implications

9.1 The powers to reduce or remove nationally set discounts for long-term empty properties, second homes and uninhabitable properties are discretionary and are conferred by Legislation and Regulations. Any decision to vary these discounts or charge premiums and levies must be ratified annually by full Council.

9.2 The relevant legislation includes sections 79 and 80 of the Levelling-up and Regeneration Act 2023, the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018, the Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003, the Council Tax (Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012, sections 11A, 11B, 11C and 11D of the Local Government Finance Act 1992, and section 75 of the Local Government Act 2003

9.3 The Levelling-Up and Regeneration Act 2023 extends councils' discretionary powers, allowing a premium of up to 100% to be charged for second homes in a council's area. The Council Tax (Prescribed Classes of Dwellings and Consequential Amendments) (England) Regulations 2024 specify the prescribed exceptions from the levies and premiums.

10. Local Government Reorganisation Implications

10.1 The decision to vary the discounts and charge additional amounts for empty properties and second homes is made by each local authority. These decisions will be aligned for LGR as part of the ongoing workstreams. No action needs to be taken for the 2027/2028 financial year, and the decision is unaffected by the current pause in Local Government Reorganisation.

11. Health and Safety Implications

11.1 None.

12. Consultees

- Corporate Performance Panel
- Council Leader
- Cabinet Member for Finance

There are no statutory consultees.

13. Equality Impact Assessment

13.1 The pre-screening Equality Impact Assessment is included at Appendix A.

14. Risk Management Implications

14.1 There are no significant risk management implications arising from continuing the current policy. The existing discounts, premiums, levies and exceptions are established and already in operation and are administered within existing processes.

14.2 The main risks are changes in taxpayer behaviour and changes in the number of properties qualifying for an exception. These risks are mitigated through published guidance, application forms, existing discretionary relief arrangements, monitoring of case volumes and continued review through council tax base and collection fund processes.

15. Conclusion

15.1 The report recommends continuing the current levels of council tax discounts, premiums and levies for 2027/2028. This maintains the existing, established, policy approach, supports the council tax base and budget-setting process, and continues to encourage empty properties to be brought back into use.

LIST OF APPENDICES

Appendix A Equality Impact Assessment
Appendix B Exceptions Policy

LIST OF BACKGROUND PAPERS

None

PRE SCREENING EQUALITY IMPACT ASSESSMENT

For equalities profile information please visit Norfolk Insight - Demographics and Statistics - Data Observatory

Name of policy/service/function	Council Tax Discounts, Levies and Premiums for Empty Properties and Second Homes for 2027/2028			
Is this a new or existing policy/ service/function? *(tick as appropriate)*	New		Existing	√
Brief summary/description of the main aims of the policy/service/function being screened. Please state if this policy/service is rigidly constrained by statutory obligations, and identify relevant legislation.	The policy sets the level of discounts and premiums (levies) for empty properties and second homes for 2027/2028 The powers to vary the discount are contained in regulations, but the decision to do so is at the discretion of the council.			
Who has been consulted as part of the development of the policy/service/function? – new only *(identify stakeholders consulted with)*	N/A – this is a continuation of an existing policy			

Question	**Answer**				
1. Is there any reason to believe that the policy/service/function could have a specific impact on people from one or more of the following groups, for example, because they have particular needs, experiences, issues or priorities or in terms of ability to access the service? Please tick the relevant box for each group. NB. Equality neutral means no negative impact on any group. ***If potential adverse impacts are identified, then a full Equality Impact Assessment (Stage 2) will be required.***		Positive	Negative	Neutral	Unsure
	Age			√	
	Disability			√	
	Sex			√	
	Gender Re-assignment			√	
	Marriage/civil partnership			√	
	Pregnancy & maternity			√	
	Race			√	
	Religion or belief			√	
	Sexual orientation			√	
	Armed forces community	√			
	Care leavers			√	
	Health inequalities*			√	

**For more information on health inequalities please visit The King's Fund*	Other (eg low income, caring responsibilities)	√			

Please provide a brief explanation of the answers above:
The policy applies according to property status rather than protected characteristic. Some individual taxpayers may experience an increased Council Tax liability. However, statutory exceptions, the Council's Exceptions Policy and its discretionary powers provide mechanisms to consider specified circumstances and cases of financial hardship. No disproportionate adverse impact on a protected group has been identified through the pre-screening assessment.

Question	Answer	Comments
2. Is the proposed policy/service likely to affect relations between certain equality communities or to damage relations between the equality communities and the Council, for example because it is seen as favouring a particular community or denying opportunities to another?	No	The policy will not affect equality communities
3. Could this policy/service be perceived as impacting on communities differently?	Yes	It will apply more to communities where there are higher numbers of empty properties and second homes but will not impact communities because of any equality issues or protected characteristics. It will have a positive impact on people on a low income as the additional income contributes towards the council's budgets and provision of local services, including housing and homelessness prevention.
If 'yes' to questions 2 - 3 a full impact assessment will be required unless comments are provided to explain why this is not felt necessary: **Decision agreed by EWG member: ……..**		
4. Are any impacts identified above minor and if so, can these be eliminated or reduced by minor actions? If yes, please agree actions with a member of the Corporate Equalities Working Group and list agreed actions in the comments section	No	**Actions:** There is no impact on any equality community or any specific group with a protected characteristic. There are a number of statutory exceptions to the levies, premiums and discount reductions. The council also has a Discretionary Relief Policy and can reduce a council tax charge in exceptional circumstances or if a person is suffering financial hardship.

		In addition there are statutory exceptions for certain Armed Forces Accommodation supporting the Armed Forces Covenant.
		Actions agreed by EWG member: ……
5. Is the policy/service specifically designed to tackle evidence of disadvantage or potential discrimination?	No	**Please provide brief summary:**

Assessment completed by: Name	Jo Stanton		
Job title	Revenues and Benefits Manager		
Date completed	29 September 2026		
Reviewed by EWG member		**Date**	

☐ **Please tick to confirm completed EIA Pre-screening Form has been shared with Corporate Policy** (corporate.policy@west-norfolk.gov.uk)

Appendix B

Exceptions Policy – see separate pdf file