

REPORT TO CABINET

Open		Would any decisions proposed:			
Any especially affected Wards	Discretionary	Be entirely within Cabinet's powers to decide	NO	Need to be recommendations to Council	YES
None		Is it a Key Decision	YES		
Lead Members: E-mail: Cllr Chris Morley Cllr.chris.morley@west-norfolk.gov.uk		Other Cabinet Members consulted:			
		Other Members consulted: Corporate Performance Panel meeting 4 January 2024 (with members of Environment & Community and Regeneration & Development Panels present).			
Lead Officer: Jo Stanton, Revenues and Benefits Manager E-mail: joanne.stanton@west-norfolk.gov.uk		Other Officers consulted: Michelle Drewery, s151 Officer and Assistant Director, Resources			
Financial Implications YES	Policy/ Personnel Implications NO	Statutory Implications NO	Equal Impact Assessment YES If YES: Pre-screening	Risk Management Implications NO	Environmental Considerations NO
If not for publication, the paragraph(s) of Schedule 12A of the 1972 Local Government Act considered to justify that is (are) paragraph(s) NA					

Date of meeting: 15 January 2024

COUNCIL TAX PREMIUMS FOR LONG-TERM EMPTY PROPERTIES AND SECOND HOMES

Summary

The Levelling Up and Regeneration Act 2023 (the Act) introduces powers for billing authorities in England to charge the existing 100% premium for long term empty properties after one year, rather than the current period of two years, and to charge an additional council tax premium of up to 100% for second homes.

This report details these changes and makes recommendations for Cabinet and Council.

Recommendation

Cabinet recommends to Council to agree to:

- Charge the long-term empty property premium after 12 months from 1 April 2024,
- Charge a 100% premium for second homes falling into Class B from 1 April 2025,
- Adopt the Council Tax Discounts Resolution as at Section 7 of Appendix C,
- Work with other Norfolk authorities and Norfolk County Council to ensure the maximum possible amount of the additional second homes income is returned to those boroughs most affected by second home ownership and,
- Delegate authority to the Revenues and Benefits Manager, in consultation with the s151 Officer and Council Leader, to agree the technical guidelines for any exceptions to the premiums imposed by central government.

Reason for Decision

To decide whether the provisions within sections 79 and 80 of the Levelling Up and Regeneration Act 2023 regarding additional premiums should be implemented.

1. Background

- 1.1. Section 79 of the Levelling Up and Regeneration Act 2023 allows billing authorities to apply the existing 100% premium for long term empty properties after a property has been empty for one year rather than the current time of two years. This change can be made from 1 April 2024. More details are in section 2.
- 1.2. Section 80 of the Levelling Up and Regeneration Act 2023 allow billing authorities to charge an additional premium of 100% on a property which is substantially furnished and where there is no resident (i.e., second homes, referred to in the Act as 'dwellings occupied periodically'). The Act sets out that we must give at least 12 months' notice of this change so charges in relation to this part of the legislation can only be implemented from 1 April 2025. More details are in section 3.

2. Long Term Empty Property Premium

- 2.1. For council tax purposes an empty property is defined as one which is unfurnished and no-one's main home. A long-term empty property is one which has been empty for more than six months once any property exemptions have ended.
- 2.2. The date used for working out when the premium starts excludes any time when a property is exempt, for example whilst awaiting probate, because the owner is in care, or for another reason.
- 2.3. From 2019 we have been able to charge an additional premium for long term empty properties based on the length of time they have remained empty. The current premiums are shown below:

Time empty	Premium	Total Council Tax Charge	Current number of properties
Empty between two and five years	100%	200%	230
Empty between five and ten years	200%	300%	77
Empty over ten years	300%	400%	42
Total			349

- 2.4. The Act now allows us to charge the existing 100% premium for a long-term empty property after one year rather than the current two years. Provided the premium is agreed by full Council by 31 March 2024 it can be charged from 1 April 2024.
- 2.5. Charging the premium for properties empty for a shorter time means a further 555 properties will incur the premium making a total of 904 properties. This increases our taxbase by an extra 370 band D equivalent properties¹ raising an additional

¹ The current taxbase for 2024/2025 is 53,748 Band D equivalent properties

£0.78m in council tax which will be shared between the preceptors in proportion to their share of the council tax bill:

Preceptor	Share	Amount (m)
Norfolk County Council	75.3%	£0.59
Police and Crime Commissioner	14.3%	£0.11
BCKLWN	6.8%	£0.05
Parishes	3.5%	£0.03
Total	100.0%	£0.78

2.6. The intention of the premium is to encourage empty properties back into use as owners sell or let their properties to avoid the additional charge. This will be the case for some, but not all, long-term empty properties so any financial benefits from the additional premium are estimates of the maximum amount that can be raised and are not included in our taxbase for 2024/2025.

3. Second Home Premium

3.1. For council tax purposes a second home is defined as a one which is furnished but which is no-one's main home.

3.2. There are two classes of second home in the council tax regulations. Class A second homes are those with an occupancy restriction, usually due to a seasonal flooding risk. These account for fewer than 5% of all second homes. They cannot be lived in all year round so could not be used as someone's main home and for this reason they are excluded from these changes.

3.3. Class B second homes do not have an occupancy restriction and will be subject to the additional premium.

3.4. The regulations state the default reduction for a second home is 50% but from 2004 we have been able to reduce this discount. We changed the discount to 10% from 2004, 5% from 2013 and abolished it completely from 2016. Taxpayers now pay the full council tax charge for a Class B second home in the borough. They also pay the full charge for a Class A second home for the days when there is no occupancy restriction but are exempt from council tax for the days when an occupancy restriction applies.

3.5. The Act now allows us to charge an additional premium of up to 100% for second homes, i.e., properties which are furnished and no-one's main home. This means they will pay double the standard council tax charge.

3.6. There are approximately 3,200 second homes in the borough which could be charged the additional premium. These include:

- Properties let as holiday accommodation on a commercial basis but which are only available for let for fewer than 140 days (20 weeks) a year,
- Properties let as holiday accommodation on a commercial basis, are available for let for more than 140 days (20 weeks) a year but are not actually let for at least 70 days a year²,

² From April 2023 the government has updated the rules for second homes. To be shown in the business rates list a property must be available for let for at least 140 days a year, and actually let on a commercial basis for at least 70 days in the previous year. If it does not meet this criteria it will be included in the council tax list.

- Properties which are private second homes and are never let out commercially, and
 - Furnished rental properties when they are vacant between tenants.
- 3.7. We are not currently able to record which category a property falls into, so a breakdown is not available. This will be investigated further if the premium is agreed as it will require a software change from our suppliers.
- 3.8. The premium does not apply to any self-catering holiday accommodation shown in the business rates list, and there are a small number of second homes in the council tax list which would not be liable for the premium³. Class A second homes (those with an occupancy restriction) will also not be charged the premium as they cannot be lived in all year round.
- 3.9. The government may make regulations excluding certain categories of second homes from the premium, although this is likely to be in January 2024 at the earliest. It is likely any exclusion will be a statutory requirement so will not need further Member approval, however Officer delegated authority is requested to allow technical guidelines for any exceptions to be agreed and implemented in a timely manner.
- 3.10. The second home premium can only start from 1 April of a financial year, and we must make the initial decision at least 12 months in advance. Provided the premium is agreed by full Council by 31 March 2024 it can be charged from **1 April 2025**. It can then be varied or revoked providing the decision is made before the start of the next financial year.
- 3.11. There are approximately 3,200 second homes in the borough's council tax list, representing 4.2% of the total number of council tax properties. 85% are in the northern parishes, 10% are in the central area and 5% are in the southern parishes. A full breakdown is included at Appendix B.
- 3.12. The parishes with the highest percentage of second homes in October 2023 are:
- | | |
|----------------------|-------|
| • Burnham Overy | 48.3% |
| • Holme Next The Sea | 41.9% |
| • Thornham | 41.3% |
| • Brancaster | 40.6% |
| • Old Hunstanton | 35.6% |
- 3.13. Charging a premium of 100% on second homes will increase the taxbase by 3,078 band D properties (over 5.7%) and will raise an **additional £6.5m in council tax** (based on 2023/2024 charges).
- 3.14. This amount is shared between the preceptors, including the Parish and Town Councils, in proportion to their share of the council tax bill. £4.90m (75.3%) of the additional income will go to Norfolk County Council, £0.93m (14.3%) to the Police and Crime Commissioner and we will only keep our 6.8% share of £0.44m. 3.5% will go the individual Parish and Town Councils who will benefit where they have significant numbers of second homes.

³ Second homes owners still receive the statutory 50% discount if they are liable for council tax for another job-related dwelling as they are in the Armed Forces or Clergy.

3.15. The shares of the additional income are:

Preceptor	Share	Amount (m)
Norfolk County Council	75.3%	£4.90
Police and Crime Commissioner	14.3%	£0.93
BCKLWN	6.8%	£0.44
Parishes	3.5%	£0.23
Total	100.0%	£6.50

3.16. Members will need to determine how this extra income is used and prioritised to support delivery of the new Corporate Strategy and the council's long term financial sustainability. We will seek to work with other Norfolk authorities and Norfolk County Council to ensure the maximum possible amount of the additional second homes income is returned to those boroughs most affected by second home ownership.

4. Recommendations

4.1. Cabinet recommends to Council to agree to:

4.1.1. Charge the long-term empty property premium after 12 months from 1 April 2024,

4.1.2. Charge a 100% premium on second homes falling in Class B from 1 April 2025,

4.1.3. Support working with other Norfolk authorities and Norfolk County Council to ensure the maximum possible amount of the additional second homes income is returned to those boroughs most affected by second home ownership,

4.1.4. Adopt the Council Tax Discounts Resolution 2024/2025 as at Section 7 of Appendix C

4.1.5. Delegate authority to the Revenues and Benefits Manager, in consultation with the s151 Officer and Council Leader, to agree the technical guidelines for any exceptions to the premiums imposed by central government.

5. Policy Implications

5.1. This would be a change to the existing policy for discounts for long-term empty properties and second homes.

6. Financial Implications

6.1. The Financial Implications on the taxbase are detailed in sections 3 and 4.

6.2. Any person who is impacted by discount changes is able to apply for a discretionary reduction under s13a Local Government Finance Act 1992 under our existing processes. Their application will be considered by the Revenues and Benefits Manager in consultation with the Council Leader.

7. Personnel Implications

7.1. None

8. Environmental Considerations

8.1. None

9. Statutory Considerations

9.1. The decisions on the discounts for empty properties and second homes are at our discretion, subject to certain statutory requirements as part of the decision making process. Decisions must be made by the end of the financial year, i.e., 31 March, but we must give at least 12 months' notice before charging the second homes premium.

9.2. This means the long-term empty changes can be made from 1 April 2024, and the second home changes from 1 April 2025.

10. Equality Impact Assessment (EIA)

10.1. A Pre-Screening EIA is attached at Appendix A.

11. Risk Management Implications

11.1. There is a risk that taxpayers may try and claim a property is now their main home rather than their second home to avoid paying the premiums. We already have procedures in place for this scenario and will look to strengthen these before any changes come into effect.

11.2. Different charges and policies in neighbouring districts may cause movement into or out of the borough depending on which authority has the most affordable scheme. North Norfolk District Council has already agreed to charge the premium.

11.3. However taxpayers may choose to sell their properties instead of paying the premium, bringing more housing stock into the local area which may make properties in areas of high second home ownership more affordable.

12. Declarations of Interest / Dispensations Granted

12.1. None

13. Background Papers

13.1. None

Pre-Screening Equality Impact Assessment

Borough Council of
King's Lynn &
West Norfolk



Name of policy	Council Tax Discounts Resolution 2024/2025				
Is this a new or existing policy/service/function?	Existing				
<p>Brief summary/description of the main aims of the policy/service/function being screened.</p> <p>Please state if this policy/service is rigidly constrained by statutory obligations</p>	<p>Amendments to the council tax charges for long-term empty properties and second homes.</p> <p>The decision is discretionary but rules around the decision making process are statutory</p>				
Question	Answer				
<p>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 according to their different protected characteristic, for example, because they have particular needs, experiences, issues or priorities or in terms of ability to access the service?</p> <p>Please tick the relevant box for each group.</p> <p>NB. Equality neutral means no negative impact on any group.</p>		Positive	Negative	Neutral	Unsure
	Age			√	
	Disability			√	
	Gender			√	
	Gender Re-assignment			√	
	Marriage/civil partnership			√	
	Pregnancy & maternity			√	
	Race			√	
	Religion or belief			√	
	Sexual orientation			√	
Other (eg low income)			√		

Question	Answer	Comments
<p>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?</p>	No	
<p>3. Could this policy/service be perceived as impacting on communities differently?</p>	No	
<p>4. Is the policy/service specifically designed to tackle evidence of disadvantage or potential discrimination?</p>	No	
<p>5. 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</p>	N/A	<p>Actions:</p> <p>Actions agreed by EWG member:</p>
<p>If 'yes' to questions 2 - 4 a full impact assessment will be required unless comments are provided to explain why this is not felt necessary:</p> <p>The policy is intended to bring empty properties back into use and will affect communities where there are significant numbers of second homes. The policy will therefore impact on communities, rather than individuals, and is not linked to any equality issues or protected characteristics.</p> <p>Decision agreed by EWG member:</p>		
<p>Assessment completed by:</p> <p>Name</p>	<p>Jo Stanton</p>	
<p>Job title</p>	<p>Revenues and Benefits Manager</p>	
<p>Date</p>	<p>28 November 2023</p>	

Appendix A – Second Homes by Parish

Council Tax Figures - 2 October 2023 (including Job Related discounts)		Actual Number of Domestic Properties	Number of Domestic Properties classified as Second Homes Top 5	% Second Homes Top 5
Taxbase Report		Line 1	Line 11	
King's Lynn	PAR001	19,189	104	0.5%
Bawsey	PAR011	123	0	0.0%
Castleacre	PAR012	487	33	6.8%
Castle Rising	PAR013	113	0	0.0%
Clenchwarton	PAR014	1,016	1	0.1%
Congham	PAR015	121	4	3.3%
Gayton	PAR016	765	11	1.4%
Grimston	PAR017	954	18	1.9%
Leziate	PAR018	267	2	0.7%
Great Massingham	PAR019	485	31	6.4%
Little Massingham	PAR020	50	2	4.0%
Middleton	PAR021	685	9	1.3%
Pentney	PAR022	304	18	5.9%
Roydon	PAR023	154	1	0.6%
North Runcton	PAR024	264	4	1.5%
Terrington St Clement	PAR025	1,968	12	0.6%
Terrington St John	PAR026	407	2	0.5%
Tilney All Saints	PAR027	268	5	1.9%
Tilney St Lawrence	PAR028	741	3	0.4%
Walpole	PAR029	817	4	0.5%
Walpole Cross Keys	PAR030	241	0	0.0%
Walpole Highway	PAR031	348	3	0.9%
Walsoken	PAR032	727	6	0.8%
East Walton	PAR033	37	1	2.7%
West Walton	PAR034	802	7	0.9%
Westacre	PAR035	97	4	4.1%
Wiggenhall St Germans	PAR036	627	2	0.3%
East Winch	PAR037	387	5	1.3%
West Winch	PAR039	1,270	7	0.6%
North Wootton	PAR040	1,015	1	0.1%
South Wootton	PAR041	1,841	9	0.5%
Barton Bendish	PAR101	104	5	4.8%
Boughton	PAR102	114	2	1.8%
Crimplesham	PAR103	121	3	2.5%
Denver	PAR104	432	4	0.9%
Dereham (West)	PAR105	202	3	1.5%
Downham Market	PAR106	5,555	29	0.5%
Downham West	PAR107	143	1	0.7%
Emneth	PAR108	1,248	7	0.6%

Feltwell	PAR109	1,355	7	0.5%
Fincham	PAR110	252	2	0.8%
Fordham	PAR111	32	0	0.0%
Hilgay	PAR112	627	6	1.0%
Hockwold	PAR113	596	10	1.7%
Marham	PAR114	1,081	3	0.3%
Marshland St James	PAR115	612	2	0.3%
Methwold	PAR116	787	7	0.9%
Nordelph	PAR117	205	2	1.0%
Northwold	PAR118	567	13	2.3%
Outwell	PAR119	1,052	7	0.7%
Runcton Holme	PAR120	305	2	0.7%
Ryston	PAR121	49	0	0.0%
Shouldham	PAR122	294	5	1.7%
Shouldham Thorpe	PAR123	74	2	2.7%
Southery	PAR124	620	2	0.3%
Stoke Ferry	PAR125	540	8	1.5%
Stow Bardolph	PAR126	576	7	1.2%
Stradsett	PAR127	31	2	6.5%
Tottenhill	PAR128	105	2	1.9%
Upwell	PAR129	1,332	13	1.0%
Watlington	PAR130	1,163	11	0.9%
Welney	PAR131	268	5	1.9%
Wereham	PAR132	329	1	0.3%
Wiggenhall St Mary Magdalen	PAR133	327	1	0.3%
Wimbotsham	PAR134	330	1	0.3%
Wormegay	PAR135	174	5	2.9%
Wretton	PAR136	186	1	0.5%
Amner	PAR201	31	0	0.0%
Bagthorpe (with Barmer)	PAR202	29	1	3.4%
Barwick	PAR203	24	3	12.5%
Bircham	PAR204	259	36	13.9%
Brancaster	PAR205	778	316	40.6%
Burnham Market	PAR206	683	197	28.8%
Burnham Norton	PAR207	69	22	31.9%
Burnham Overy	PAR208	240	116	48.3%
Burnham Thorpe	PAR209	102	25	24.5%
Choseley	PAR210	13	4	30.8%
Creake (North)	PAR211	224	46	20.5%
Creake (South)	PAR212	348	80	23.0%
Dersingham	PAR213	2,435	57	2.3%
Docking	PAR214	702	126	17.9%
Flitcham	PAR215	99	4	4.0%
Fring	PAR216	44	10	22.7%
Harpley	PAR217	176	14	8.0%
Heacham	PAR218	2,754	300	10.9%
Hillington	PAR219	149	3	2.0%

Holme-next-Sea	PAR220	222	93	41.9%
Houghton	PAR221	42	3	7.1%
Hunstanton	PAR222	3,160	521	16.5%
Old Hunstanton	PAR223	354	126	35.6%
Ingoldisthorpe	PAR224	420	15	3.6%
Ringstead	PAR225	185	45	24.3%
East Rudham	PAR226	297	31	10.4%
West Rudham	PAR227	120	12	10.0%
Sandringham	PAR228	215	9	4.2%
Sedgeford	PAR229	311	53	17.0%
Sherborne	PAR230	27	1	3.7%
Snettisham	PAR231	1,612	180	11.2%
Stanhoe	PAR232	141	43	30.5%
Syderstone	PAR233	278	43	15.5%
Thornham	PAR234	375	155	41.3%
Titchwell	PAR235	59	20	33.9%
		75,335	3,200	4.2%

Appendix C – Council Tax Discounts Resolution 2024/2025

BOROUGH COUNCIL OF KING'S LYNN AND WEST NORFOLK

Council Meeting – 31 January 2024

DETERMINATION OF COUNCIL TAX DISCOUNTS RELATING TO SECOND HOMES AND EMPTY DWELLINGS FOR 2024/2025

1. Section 75 of the Local Government Act 2003 gives billing authorities the power to determine the discounts for second homes and long-term empty dwellings. Section 11 of the Local Government Finance Act 2012 gives billing authorities powers to determine discounts for further classes of empty dwellings. Section 12 of the Local Government Finance Act 2012 gives billing authorities powers to set a higher amount of council tax for long term empty dwellings. The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 allows billing authorities to further increase the amount of council tax for long term empty dwellings from 1 April 2019. Section 79 of the Levelling-Up and Regeneration Act 2023 allows billing authorities to vary the date the long-term empty property levy is charged from. Section 80 of the Levelling-Up and Regeneration Act 2023 allows billing authorities to charge a higher amount of council tax for dwellings which are furnished and unoccupied.
2. The council must approve its determination afresh for each class of dwelling for each financial year.

3. Current Position for 2023/2024

- 3.1. The Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003 and the Council Tax (Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012 prescribe the following classes of dwelling:

- 3.1.1. **Class A** – a chargeable dwelling:

- (a) which is not the sole or main residence of an individual;
- (b) which is furnished; and
- (c) the occupation of which is prohibited by law for a continuous period of at least 28 days in the relevant year.

Class A dwellings are commonly known as **Second Homes with an Occupancy Restriction**.

The reduction for Class A dwellings for 2023/2024 is 0% with an exemption for the period of the occupancy restriction.

- 3.1.2. **Class B** – a chargeable dwelling

- (a) which is not the sole or main residence of an individual;
- (b) which is furnished; and
- (c) the occupation of which is not prohibited by law for a continuous period of at least 28 days in the relevant year.

Class B dwellings are commonly known as **Second Homes**.

The reduction for Class B dwellings for 2023/2024 is 0%.

- 3.1.3. **Class C** – a chargeable dwelling which is:

- (a) which is unoccupied; and
- (b) which is substantially unfurnished

Class C dwellings are commonly known as **Empty Dwellings**

The reduction for a Class C dwelling for 2023/2024 is 0%.

3.1.4. **Class D** – a chargeable dwelling

- (a) which has satisfied the requirements of (b) for fewer than 12 months
 - (b) which is vacant; and
 - i. requires or is undergoing major repair work to render it habitable
 - ii. is undergoing structural alteration
 - iii. has undergone major repair work to render it habitable if fewer than six months have elapsed since the date on which the alteration was substantially completed and the dwelling has continuously remained vacant since that date
 - (c) for the purpose of (b) 'major repair work' refers to structural repair work
- NB once the 12 month time limit has expired dwellings in Class D fall to be treated as dwellings in Class C*

Class D dwellings are commonly known as **Uninhabitable Dwellings**.

The reduction for a Class D dwelling for 2023/2024 is 25% for the 12 month maximum period. Once the 12 months expire a reduction of 0% applies.

3.2. Class A and Class B dwellings do not include any dwelling which consists of a pitch occupied by a caravan or a mooring occupied by a boat. Neither do they include any dwelling where a qualifying person in relation to that dwelling is a qualifying person in relation to another dwelling which for him/her is job-related.

3.3. Premiums for Second Homes

3.4. The discount for properties falling into Class A and Class B of the regulations (Second Homes) has been set at 0% since 2016. The Levelling-Up and Regeneration Act 2023 allows us to increase the charge for these properties by up to 100% after giving at least 12 months' notice.

3.5. Properties in Class A cannot be occupied all year round as they have a planning restriction limiting their occupancy. As these cannot be used as someone's main home no additional charge will be made.

3.6. Properties in Class B can be occupied as a main home, and these properties will be charged an additional 100% council tax premium from 1 April 2025.

3.7. Central government may make regulations excluding certain classes of property from the second home premium. These will be removed from the premium as and when regulations are laid.

3.8. Long Term Empty Dwelling Levies

3.9. The Local Government Finance Act 2012 allows billing authorities to increase the amount of council tax payable in respect of a long term empty dwelling by a specified percentage of not more than 50% up to 31 March 2019.

- 3.10. The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 allows billing authorities to increase this to 100% from 1 April 2019 for properties empty for more than two years. The Act further allows billing authorities to increase the amount of council tax payable by 200% for properties empty for longer than five years from 1 April 2020, and by 300% for properties empty longer than 10 years from 1 April 2021.
- 3.11. The Act originally defined a Long-Term Empty Dwelling as ‘a dwelling that is unoccupied and substantially unfurnished for a continuous period of at least two years’. Any period of occupation of fewer than six weeks is discounted when establishing the continuous two year period.
- 3.12. The Levelling-Up and Regeneration Act 2023 amends the definition of a Long-Term Empty Dwelling from 1 April 2024 to ‘a dwelling that is unoccupied and substantially unfurnished for a continuous period of at least **one year**’.
- 3.13. Central Government may also prescribe classes of dwelling exempt from the Long Term Empty Dwelling levy. The Council Tax (Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012 prescribe the following classes of dwelling to which the levy will not apply:
- 3.13.1. **Class E** – a chargeable dwelling which would be the sole or main residence of a person but is empty because that person is resident in Ministry of Defence accommodation by reason of their employment.
- 3.13.2. **Class F** – a chargeable dwelling which is an annexe of a main dwelling but is being used as a part of that dwelling.
- 3.14. The additional levy for long term empty dwellings for 2023/2024 is:
- 3.14.1. 100% for properties empty for more than two years,
 - 3.14.2. 200% for properties empty for more than five years, and
 - 3.14.3. 300% for properties empty for more than 10 years.

Dwellings falling into Class E and Class F are exempt from the Long Term Empty Dwelling Levy.

4. Proposals for 2024/2025 and 2025/2026

- 4.1. The levels of discount for 2023/2024 are shown above for information. The report to Council of 31 January 2024 contains recommendations for updates to these discounts, levies and premiums from 2024/2025 onwards as shown at section 7 below.
- 4.2. In accordance with statutory council tax reductions, any period of occupation of fewer than six weeks will be disregarded when calculating the maximum time a reduction can be awarded for, and when calculating the start date of any levy payment. The occupier will still be charged the occupied council tax rate for the time they live in the dwelling, but the clock will not be reset when they leave if they have been in occupation for fewer than six weeks.
- 4.3. An individual who is caused hardship by the level of council tax discount under this resolution can apply for a reduction on their council tax bill. Applications will be determined by the Revenues and Benefits Manager in consultation with the Council Leader and the relevant Ward Member/s where appropriate.

- 4.4. The regulations stipulate these determinations must be published in at least one local newspaper within 21 days of Council agreement.

5. Policy Implications

- 5.1. The decision is an update of the Council's policy on Council Tax discounts relating to Second Homes and Empty Properties.

6. Financial Implications

- 6.1. These discounts form part of the taxbase calculations and can affect the council's income. The existing discounts have been reflected in the taxbase calculation and the revised discounts will be included in the taxbase for 2025/2026. The taxbase remains in line with the estimates in the Financial Plan.

7. Recommendations:

Under Section 11A of the Local Government Finance Act 1992, as enacted by Section 75 of the Local Government Act 2003, Section 11B of the Local Government Finance Act 1992, as enacted by Section 11 and Section 12 of the Local Government Finance Act 2012 and in accordance with the provisions of the Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003, the Council Tax (Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012, the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 and the Levelling-Up and Regeneration Act 2023 the Council determines:

- 1. That the council tax discount for Second Homes defined as being within Class A of the Regulations is set at 0% for 2024/2025;**
- 2. That the council tax discount for Second Homes as defined by Class B of the Regulations is set at:**
 - a. 0% for 2024/2025, and**
 - b. 0% for 2025/2026 plus an additional premium of 100%;**
- 3. That the council tax discount for Empty / Unfurnished dwellings defined as being within Class C of the Regulations is set at 0% for 2024/2025;**
- 4. That the council tax discount for Uninhabitable dwellings defined as being within Class D of the Regulations is set at the following for 2024/2025:**
 - a. 25% for 12 months starting on the day the dwelling becomes uninhabitable; then**
 - b. 0% once the 12 month period has expired;**
- 5. That the Levy rate for Long Term Empty Dwellings as defined in the Regulations is set as follows for 2024/2025:**
 - a. 100% for properties empty between one and five years,**
 - b. 200% for properties empty longer than five years, and**
 - c. 300% for properties empty longer than ten years;**

- 6. That any period of occupation of fewer than six weeks shall be disregarded when calculating the maximum period of a reduction or the start date of the Levy;**
- 7. That delegated authority be given to the Revenues and Benefits Manager, in consultation with the s151 Officer and Council Leader, to agree the technical guidelines for any exceptions to the premiums imposed by central government.**
- 8. That delegated authority be given for individual hardship applications made under s13a Local Government Finance Act 1992 be determined by the Revenues and Benefits Manager in consultation with the Council Leader and the relevant Ward Member/s where appropriate.**

In accordance with Section 11A(6) of the Local Government Finance Act 1992, as enacted by Section 75 of the Local Government Act 2003 and the Local Government Finance Act 2012, these determinations shall be published in at least one newspaper circulating in West Norfolk before the end of the period of 21 days beginning with the date of the determinations.