



Wigan[♥]
Council

Council Tax Empty Property Premium Exception Policy

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Version Control

Version	Date	Notes
1	13.01.2025	First Publication

Introduction & Background

The following policy outlines the council's approach to the levying of Council Tax for long term empty properties and second homes as well as conditions where we would consider not applying a premium.

Since April 2013, The Local Government Finance Act 2012 has given Local Authorities in England discretionary powers to increase Council Tax charges by adding up to 50% to the amount charged on long term empty properties. This is known as the Long Term Empty Premium.

The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 revised the regulations effective from the 1 April 2019 and increased the premium payable depending on how long the property had been classed as long term empty, however in Wigan the premium rate charged has not previously been increased.

The Levelling Up & Regeneration Act 2023 allows a reduction in the period from which premiums apply and Wigan Council have made changes to our policy in line with those powers.

With increasing demand for housing, these changes have been implemented to encourage owners of empty properties to bring them back into use, reduce anti-social behaviour associated with empty properties, reduce homelessness, and further enhance and support essential services within our community.

Long Term Empty Property Premiums from 1 April 2024

Properties are classified as long term empty if they have been empty and substantially unfurnished for a period of 6 months or more, (unless excluded by certain exemptions).

The Local Government Finance Act 2012 allows Local Authorities to increase the level of premium and from 1 April 2024. Section 79 (1) (b) of the Levelling Up and Regeneration Act 2023 permits Councils to impose a Long Term Empty Property Premium after one year, even if the property was continuously empty prior to 1 April 2024.

The following table details the level of premium payable depending on the amount of time the property has been classed as long term empty as well as the overall charge due. The council has implemented the premiums detailed below from 1 April 2024.

Property Continuously Empty & Unfurnished (Long Term Empty)		
Time Period	Premium Charged	Overall Charge
More than one year but less than five	100%	200%
More than five years but less than ten	200%	300%
Over ten years	300%	400%

Premium for Second Homes from 1 April 2025

Alongside increased premiums for long term empty properties, the Levelling-up and Regeneration Act 2023 allows councils to charge a premium of up to 100% on furnished and unoccupied properties, known commonly as “Second Homes” with an amendment to section 11C of the Local Government Finance Act 1992.

A billing authority’s first determination under these regulations must be made at least one year before the financial year to which the change relates. The Council has resolved to implement this change effective from 1 April 2025.

The following table details the premium payable as well as the overall charge due for Second Homes from 1 April 2025.

Property Unoccupied & Furnished (2nd Homes)		
Time Period	Premium Payable	Overall Charge
From the date the property becomes unoccupied & furnished	100%	200%

Exceptions from Premiums

On 1 November 2024, The Council Tax (Prescribed Classes of Dwellings and Consequential Amendments) (England) Regulations 2024 came into force. These regulations prescribe certain classes of exceptions to Long Term Empty and Second Home Premiums. These prescribed exceptions are effective from 1 April 2025.

Within the current legislation and regulations, councils are also permitted to use discretion in determining whether a premium should be applied.

While premiums for empty properties have been implemented to encourage owners of empty properties to bring them back into use, reduce anti-social behaviour associated with empty properties, reduce homelessness, and further enhance and support essential services within our community, we understand that there are some legitimate circumstances where a premium should not be applied.

Considering this and the changes to the regulations to legislate for prescribed exceptions, we have used our discretion in determining some locally defined exceptions from Long Term Empty Premiums from 1 April 2024. The prescribed exceptions alongside discretionary exceptions for Long Term Empty and Second Home Premiums are effective from 1 April 2025.

Discretionary & Prescribed Exceptions relating to Long Term Empty Properties and Second Homes

Class E Exception (Left empty by someone residing in job related armed forces accommodation)

An empty property which is or would be the sole or main residence of a member of the armed services, who has been provided with a dwelling because of such service will be excepted from a Long Term Empty or Second Home Premium.

Class F Exception (Annexes forming part of, or being treated as part of, the main dwelling)

Unoccupied annexes forming part of, or being treated as part of, the main dwelling will not be subject to a Long Term Empty or Second Home Premium.

This exception will not apply to the annexe if it is not being used as part of the main residence.

Class G Exception (Properties actively marketed for sale)

Empty properties that are actively marketed for sale will not be required to pay a premium for a maximum period of 12 months.

The property must be marketed for sale at a price that is reasonable for the sale of the dwelling and the exception will still apply if a property is under offer as long as it is within the 12-month exception period.

The exception can only start from the date that the property is actively marketed for sale or is under offer. The exception does not apply if the property has been in this situation for more than 1 year.

The exception will run until the end of the 12-month exception period
or,

until the property is no longer actively marketed for sale or under offer
or,

the property is sold (whichever is sooner).

The relevant Long Term Empty or Second Home Premium will apply again once the exception period has expired if the property remains unoccupied.

An exception cannot be reapplied unless the property is sold constituting a relevant transaction.

Class H Exception (Properties actively marketed for let)

Empty properties that are actively marketed for let will not be required to pay a premium for a maximum period of 12 months.

The property must be marketed for let under a tenancy on terms and conditions, including the proposed rent which is reasonable for letting the property.

The exception will still apply if an offer to rent the property has been accepted but the tenancy has not started if it is within the 12-month exception period.

The exception can only start from the date that the property is actively marketed for let or a tenancy has been accepted. The exception does not apply if the property has been in this situation for more than 1 year.

The exception will run until the end of the 12-month exception period
or,

until the property is no longer actively marketed for let
or,

the property is let (whichever is sooner).

The relevant Long Term Empty or Second Home Premium will apply again once the exception period has expired if the property remains unoccupied.

An exception cannot be reapplied unless the property has been let for a term of 6 months or more.

Class I Exception (Properties undergoing probate)

An exemption from Council Tax is already available for 6 months after probate, or letters of administration have been granted.

Empty, inherited properties will not immediately be required to pay a premium once the exemption ends for an additional 6 months.

If the property remains empty 12 months after probate or letters of administration has been granted, the relevant premium for a long term empty property or second home will become payable.

The exception will end within the 12 months if the property is sold or occupied.

Discretionary Exception (Owners experiencing legal or technical issues which is preventing the sale or letting of the property)

If owners are experiencing legal or technical issues preventing the sale or letting of their property, a discretionary exception for a maximum period of 12 months can be claimed.

Each case will be considered on its own merit.

An application including full details of the legal or technical issues and a Solicitor's or Legal Conveyancer's letter should be produced in evidence detailing the reasons preventing the sale or letting.

If the property remains empty after the exception period has ended, the relevant Long Term Empty or Second Home Premium will become payable.

An exception cannot be reapplied unless the property has been sold constituting a relevant transaction or let for a term of 6 months or more.

Exceptions relating to Second Homes only

Class J Exception (Job related dwellings)

Furnished properties that are periodically occupied in certain job-related circumstances are excepted from the Second Home Premium.

Generally, a property would be classed as a job-related dwelling where it is a dwelling provided by a person's employer for the purposes of performing their work.

Customers benefit from a 50% discount for job-related dwellings and this exception will ensure that a premium will not be charged.

Class K (Occupied caravan pitches and boat moorings)

Pitches occupied by a Caravan and Moorings occupied by a Boat are excepted from the Second Home Premium.

Class L (Occupation restricted by a planning condition)

An exception from the Second Home Premium is available where a property has planning conditions preventing occupancy for a continuous period of at least 28 days in any one-year period

or,

specifying that the property may be used for holiday let only

or,

preventing occupancy as a person's sole or main residence.

Exceptions relating to Long Term Empty Properties only

Discretionary Exception (Major repairs or structural alterations)

The government has prescribed a Class M exception for properties requiring or undergoing major repairs or structural alterations. This exception has primarily been created for Local Authorities that do not offer a Major Repairs Discount.

Wigan Council already offer a 75% discount for properties that are undergoing, or in need of major repairs or alterations. This discount is available for a maximum period of 12 months.

The property must be occupied for a minimum period of 6 weeks before the discount can be claimed again.

There may be circumstances where there is a change in liability, the previous liable party has benefited from the discount and the property has not been occupied for more than 6 weeks since the discount was claimed.

Where a dwelling requires or is undergoing major repairs or structural alterations following the award of the Major Repairs Discount and there has been a change in liability, we have created a discretionary exception

from the relevant Long Term Empty Property Premium for a further 12 months.

An application including appropriate evidence, and a schedule of works is required to claim the exception.

The exception cannot be reapplied unless the property is sold, constituting a relevant transaction.

How to Apply

To apply for an exception, customers can write to or email the Council using the following contact details.

Email

Revenues@wigan.gov.uk

Postal Address

Wigan Council

Customer Experience and Support

P.O. Box 100

Wigan

WN1 3DS

Customers will be required to provide their Council Tax reference number, the property address details and the circumstances of their application.

Additional evidence and documentation will be required in most cases which can be attached to an email or enclosed within a postal submission.

If the required information has not been supplied to successfully award the exception, customers will be contacted and asked to provide this to progress the claim.

The Council will review applications and decide an award based on the provided information, the applicable regulations and this policy.

Appeals

If you dispute the imposition of a premium or the refusal of an exception, you can appeal to the Council against the decision.

Further Information about disputes and appeals can be found by visiting our website.

Council Tax - Disputes and appeals

Appeals will be considered by a relevant manager, and you will be notified of the outcome of your appeal within 2 months.

If you are unhappy with the council's final decision regarding the imposition of a premium or the refusal of an exception you can escalate your appeal to The Valuation Tribunal Service.

Details of how to make an appeal can be found here:

Council tax appeals - Valuation Tribunal Service

You can also contact The Valuation Tribunal Service by post, telephone or email using the following details.

Postal Address

Valuation Tribunal Service

2nd Floor

120 Lemn Street

London

E1 8EU

Telephone

0303 445 8100

Email

Appeals@valuationtribunal.gov.uk

You should escalate your appeal to The Valuation Tribunal Service within 2 months of the council's final decision.

You are required to pay your Council Tax as billed while any appeal is ongoing.

Complaints

If you are not satisfied with the level of service you have received, you have the right to make a complaint which will be investigated and responded to as part of our complaints procedure.

Further information regarding our complaints procedure and your rights of further escalation are detailed in our Complaints Policy.

[Complaints Policy \(wigan.gov.uk\)](http://www.wigan.gov.uk)

Reviews & Accuracy of Data

Wigan Council has a duty to protect the public purse and ensure that premiums and exceptions are applied correctly.

If you have a change in circumstances that affects your eligibility for an exception, you should notify the Council as soon as possible. To ensure the accuracy of the information we hold; regular reviews will be undertaken to check eligibility for exceptions and the statuses of empty properties.

Any taxpayer who has knowingly made false declarations or fraudulent claims for reductions in liability may have committed an offence under The Fraud Act 2006.

The Council will investigate where we suspect fraud may have been committed and this could lead to the instigation of legal proceedings.