



Empty and second homes council tax policy 2025

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Introduction

This policy outlines our approach to the levying of **empty homes council tax premium**, in line with the Local Government Finance Act 1992 and associated regulations. These regulations allow councils discretion in setting the level of council tax charged for empty properties.

It also outlines the council's approach to discretionary relief from the **second homes council tax premium**, which is permitted under Section 13A of the Local Government Finance Act 1992, which allows the council has the discretion to reduce or waive the premium in specific circumstances.

In implementing this policy, we are committed to encouraging homeowners to **bring empty and second home properties back into use** for the benefit of residents looking for a local home, and to boost the local community by helping to eradicate empty and decaying properties. We are also committed to supporting residents **experiencing exceptional hardship**, allowing them to apply for relief from the additional charges applied to empty and second homes.

This policy ensures fair and consistent application of regulations and discretionary reliefs and exemptions.

Purpose of policy

The purpose of this policy is to:

Empty homes

- Encourage use of empty homes by discouraging long-term vacancy.
- Address housing shortages by maximising available housing stock.
- Ensure fair contributions from owners of empty properties toward local services.
- Support empty homeowners who are facing exceptional financial hardship.
- Comply with legislation under the Local Government Finance Act 1992 and subsequent amendments.

Second homes

- Provide financial relief to second homeowners facing exceptional medical or financial hardship, or those who occupy a second home in the district to fulfil their professional duties to deliver vital services or employment opportunities within the district.
- Set out clear criteria for the assessment of discretionary relief applications.
- Ensure transparency and fairness in decision-making.

Equality, diversity, fairness and respect

We are committed to developing and delivering services in a way that ensures we treat people fairly and promote equality of opportunity and social cohesion within the wider community.

This policy has been subject to an equality impact assessment to ensure there is no discrimination in the way that it has been designed, developed or how it will be delivered and that, wherever possible, equality is promoted. Within this policy, vulnerable groups are those whose welfare may be particularly adversely affected by the application of an empty or second homes premium charge.

To ensure we treat our customers in a fair and equitable manner, we may from time to time, choose to vary the steps outlined in this policy at the discretion of the responsible manager/director, or responsible cabinet member if doing so has a financial impact beyond delegated levels.

Section 1 The empty homes premium

1. Overview

- 1.1 Unoccupied properties are deemed empty when they are unoccupied and unfurnished.
- 1.2 Premiums were introduced by the government from 1 April 2013 with the aim of encouraging homeowners to occupy properties rather than leave them vacant in the long term.
- 1.3 Section 11B of the Local Government Finance Act 1992 introduced council tax premiums on long term empty properties from 1 April 2013. A long-term empty property was initially defined as one that had been empty for a continuous period of at least two years, allowing for a premium of up to 50%.
- 1.4 Subsequent legislative updates introduced higher premiums:
 - **From 1 April 2019:** Properties left unoccupied and substantially unfurnished for two years or more could be charged up to 100%.
 - **From 1 April 2020:** Properties left unoccupied and substantially unfurnished for five years or more could be charged up to 200%.
 - **From 1 April 2021:** Properties left unoccupied and substantially unfurnished for ten years or more could be charged up to 300%.
- 1.5 The Levelling Up and Regeneration Act 2023 introduced further changes to the premium charges:
 - **From 1 April 2024:** Properties will be considered long-term empty and subject to a 100% premium after being unoccupied for a continuous period of one year.
- 1.6 In exercising its functions under Section 11B, the Council must have regard to any guidance issued by the Secretary of State.
- 1.7 It should be noted that premiums are charged in addition to the standard council tax payable on a property. Any periods of occupation of six weeks or less will be disregarded when calculating how long a property has been empty.
- 1.8 The following charges will apply from 1 April 2025 onwards:
 - Properties empty (unoccupied and unfurnished) for up to 1 year: **0% discount (standard charge)**.
 - Properties empty (unoccupied and unfurnished) for 1–5 years: **200% charge** (includes standard charge and 100% premium).
 - Properties empty (unoccupied and unfurnished) for 5–10 years: **300% charge** (includes standard charge and 200% premium).
 - Properties empty (unoccupied and unfurnished) for more than 10 years: **400% charge** (includes standard charge and 300% premium).

2. Regulated exceptions

2.1 Certain classes of dwellings are not charged a premium:

Class	Exception	Period
Class E	A dwelling which would be the sole of main residence of a person, but which is empty whilst that person resides in accommodation provided by the Ministry of Defence by reason of their employment i.e., service personal posted away from home ¹ .	Indefinite
Class F	Dwellings which form annexes in a property which are being used as part of the main residence or dwelling in that property ² .	Indefinite
Class G/H	Properties actively marketed for sale or rent.	12 months maximum
Class I	Properties which fell within exempt Class F and where probate has recently been granted - a maximum of 12 months exemption from the grant of probate or letters of administration. This runs concurrently with the 6-month exemption following probate.	12 months maximum
Class M	Empty property undergoing or requiring major repairs or structural alterations.	12 months maximum

2.2 We will require evidence to determine if the Class G/H exception applies, including:

- Evidence that the property is clearly advertised for sale or let and through a recognised agent (e.g., contracts, advertisements, evidence of viewings).
- Evidence that the property is being self-marketed by the owner or landlord, such as advertisements in recognised media or evidence of viewings.
- Proof that the property is listed for sale or rent at a market-appropriate price for its type and location.
- Evidence of legal or technical issues that may prevent the sale or letting of the property.

2.3 This exemption will only be granted once per taxpayer or jointly liable taxpayers or, where a property is let, that the property has been let for a continuous period of at least 6 months since the exception last applied.

3. Local exceptions

3.1 We may consider waiving the premium for new owners of properties that were subject to a long-term empty charge prior to change of ownership.

3.2 Where a property subject to a premium charge has undergone a recent relevant transaction (e.g., sale completion or new long-term lease), the premium will cease on the date of the transaction for up to 12-months. If the property remains empty 12-months after change of ownership, the rules detailed in this policy will apply.

3.3 Where council taxpayers can demonstrate the premium charge would cause exceptional financial hardship, we may consider also consider waiving the premium. To be eligible, a homeowner must be:

- Liable for the council tax premium on an empty home within the Lichfield District Council area.
- Able to demonstrate that paying the empty homes premium would cause exceptional financial hardship.

¹Council Tax (Prescribed Classes of Dwelling) (England) (Amendment) Regulations 2012 – Classes E

² 2 Council Tax (Prescribed Classes of Dwelling) (England) (Amendment) Regulations 2012 – Classes F

- 3.4 Applications for hardship exceptions will be assessed on a case-by-case basis, based on the following criteria:
- The applicant can demonstrate that paying the empty homes premium would cause significant financial hardship.
 - The taxpayer is experiencing sudden and exceptional changes in their financial circumstances (e.g., job loss, significant reduction in income, or unexpected expenses).
 - The household's disposable income after essential living expenses is insufficient to meet the premium cost.
- 3.5 Supporting evidence for financial hardship must include:
- Income and expenditure statements.
 - Copies of bank statements for the last three months.
 - Details of any other financial assistance being received (e.g., benefits or grants).
 - Proof of recent changes to financial circumstances, such as redundancy letters or benefits awards.

Exceptional circumstances – from 1 April 2026

- 3.6 Exceptions may be granted to waive premiums in cases of exceptional circumstances, based on the merits of each individual situation. Applicants will need to fill in the online application form and further evidence may be requested. Decisions will be approved by the Revenues, Benefits & Corporate Debt Recovery Service Manager in liaison with the responsible Cabinet Member.

Section 2 The second homes premium

1. Overview

- 1.1 The Local Government Finance Act 1992 and associated regulations sets out the mechanism for levying council tax on domestic properties.
- 1.2 The regulations allow council's some discretion in setting the level of council tax charged in respect of second homes.
- 1.3 From 1 April 2025 second homes, defined as having no one resident but it is substantially furnished, can be levied a premium of 100%, in addition to the 100% council tax payable on a property.
- 1.4 There is no requirement for a property to have been used as a second home for a fixed period before the premium can apply.
- 1.5 In exercising its functions under S11B we must have regard to any guidance issued by the Secretary of State.
- 1.6 Where individuals own multiple homes, but the homes are let out or occupied by someone as their main home, it will not be considered as a second home for the purposes of the premiums and as such will not be liable for the premium.
- 1.7 It should be noted that premiums are charged in addition to the 100% council tax payable on a property. Any periods of occupation of six weeks or less will be disregarded when calculating how long a property has been a second home.

2. Regulated exceptions

- 2.1 Certain classes of dwellings are not charged a premium:

Class	Exception	Period
Class E	A dwelling which would be the sole of main residence of a person, but which is empty whilst that person resides in accommodation provided by the Ministry of Defence by reason of their employment i.e., service personal posted away from home ³ .	Indefinite
Class F	Dwellings which form annexes in a property which are being used as part of the main residence or dwelling in that property ⁴ .	Indefinite
Class G/H	Properties actively marketed for sale or rent.	12 months maximum
Class I	Properties which fell within exempt Class F and where probate has recently been granted - a maximum of 12 months exemption from the grant of probate or letters of administration. This runs concurrently with the 6-month exemption following probate.	12 months maximum
Class J	A job-related dwelling where it is a dwelling provided by a person's employer for the purposes of performing their work.	Indefinite
Class K	Occupied caravan pitches and boat moorings.	Indefinite

³Council Tax (Prescribed Classes of Dwelling) (England) (Amendment) Regulations 2012 – Classes E

⁴ 2 Council Tax (Prescribed Classes of Dwelling) (England) (Amendment) Regulations 2012 – Classes F

Class L	Seasonal homes where year-round or permanent occupation is prohibited or has been specified for use as holiday accommodation or prevents occupation as a person's sole or main residence.	Indefinite
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2.2 We will require evidence to determine if the Class G/H exception applies, including:

- Evidence that the property is clearly advertised for sale or let and through a recognised agent (e.g., contracts, advertisements, evidence of viewings).
- Evidence that the property is being self-marketed by the owner or landlord, such as advertisements in recognised media or evidence of viewings.
- Proof that the property is listed for sale or rent at a market-appropriate price for its type and location.
- Evidence of legal or technical issues that may prevent the sale or letting of the property.

2.3 Regulated exceptions will only be granted once per taxpayer or jointly liable taxpayers or, where a property is let, that the property has been let for a continuous period of at least 6 months since the exception last applied.

3. Local exceptions

3.1 Where council taxpayers can demonstrate the premium charge would cause exceptional financial or medical hardship or they have work related reasons for maintaining a second home in the district, we may consider awarding an exception provided:

- The applicant is liable for the council pax premium on a second home within the Lichfield District Council area.
- The applicant can demonstrate that paying the second homes premium would cause exceptional financial or medical hardship.
- The applicant can demonstrate they maintain a second home within the district to fulfil their professional duties to deliver vital services or employment opportunities within the district.

3.2 Applications for discretionary relief will be assessed on a case-by-case basis, based on the following criteria:

Medical hardship

3.3 An exception may be granted if:

- The second home is required due to medical reasons, such as needing to live near a hospital, treatment centre, or support network for ongoing care or recovery.
- The property is maintained to accommodate someone's medical needs, where relocation or sale is impractical due to medical conditions.
- The taxpayer, or a family member, is undergoing significant health issues that affect their ability to meet the increased council tax burden.

3.4 Applicants must provide relevant medical evidence, such as:

- A letter from a GP, specialist, or consultant detailing the medical circumstances.
- Evidence of medical treatment or requirements that necessitate maintaining a second home.

Financial hardship

3.5 An exception may be granted if:

- The applicant can demonstrate that paying the second homes premium would cause significant financial hardship.

- The taxpayer is experiencing sudden and exceptional changes in their financial circumstances (e.g., job loss, significant reduction in income, or unexpected expenses).
- The household's disposable income after essential living expenses is insufficient to meet the premium cost.

3.6 Supporting evidence for financial hardship must include:

- Income and expenditure statements.
- Copies of bank statements for the last three months.
- Details of any other financial assistance being received (e.g., benefits or grants).
- Proof of recent changes to financial circumstances, such as redundancy letters or benefits awards.

Community workers/employers

3.7 Exceptions may be granted to individuals working in the district who maintain a second home within the district to fulfil their professional duties to deliver vital services or employment opportunities within the local community.

3.8 An exception may be considered if the applicant can demonstrate:

- Their second home within the district is essential for the performance of their role within the local community, especially in cases where commuting from their primary residence would impede their ability to provide timely or effective services or employment opportunities to the local community.
- Their role directly benefits the residents of the district by addressing critical needs, such as healthcare, education, or public safety.
- Their role directly supports local employment opportunities for district residents.

3.9 Supporting evidence must include:

- Proof of nature of employment within the district (e.g., employment contract or ID badge).
- A written statement explaining how their role contributes to local services/local employment opportunities and necessitates a second home.
- Proof of main residence (council tax bill) to demonstrate it is outside of commutable distance.

Exceptional circumstances – from 1 April 2026

3.10 Exceptions may be granted to waive premiums in cases of exceptional circumstances, based on the merits of each individual situation. Applicants will need to fill in the online application form and further evidence may be requested. Decisions will be approved by the Revenues, Benefits & Corporate Debt Recovery Service Manager in liaison with the responsible Cabinet Member.

Section 3 How to apply

1. Online application

1.1 To apply for an exception from the second homes premium, applicants must:

- Complete and submit the [second homes exception application form](#) online.
- Provide all necessary supporting documentation, as outlined in the relevant sections above.

2. Assessment process

2.1 We will assess each application on its individual merits, considering all relevant factors, including the applicant's medical or financial circumstances, the nature of the hardship, and the impact of the premium.

2.2 Depending on the nature of the application, we may consult with relevant departments (e.g., benefits) to verify and assess the application.

2.3 We will decide within 28 days from the date of receiving the completed application and supporting evidence.

2.4 Where discretionary relief is granted, it may:

- Be applied for the current financial year only (unless exceptional circumstances justify a longer period).
- Be subject to review annually, or at the council's discretion.

2.5 We will notify applicants of our decision within 28 days of the application being received. The decision letter will include:

- The outcome of the application.
- The amount of relief granted (if applicable).
- The duration of the relief (if applicable).

3. How to appeal

3.1 If you are dissatisfied with our decision, you can request a review.

3.2 You must submit your appeal in writing within 28 days of receiving our decision letter.

3.3 Appeals will be reviewed by a senior officer not involved in the original decision, and a final determination 28 days of receipt of an appeal.

4. Review and revocation

4.1 We reserve the right to review or revoke any discretionary relief granted if:

- The applicant's circumstances change significantly.
- Information provided as part of the application is found to be inaccurate or misleading.

4.2 Where a taxpayer remains aggrieved, a further appeal may be made in accordance with Section 16 of the Local Government Finance Act 1992 to the Valuation Tribunal. This must be made within two months of the decision not to grant any reductions.

Section 4 Key information

1. Fraud

- 1.1 We are committed to reducing fraud in all its forms. A ratepayer who falsely declares their circumstances or provides a false statement or evidence in support of an application for discretionary rate relief, may have committed an offence under the Fraud Act 2006.

2. Data protection

- 2.1 The council will treat all personal information submitted as part of the application process in accordance with the Data Protection Act 2018 and the General Data Protection Regulation (GDPR).

3. Policy review

- 3.1 Once regulations are laid, the council will need to ensure that any charging policy is in line with the legislation. Therefore, the council's Section 151 Officer is granted delegated powers to amend this policy in line with legislation or government requirements. This policy will be reviewed annually, or sooner if required by changes in legislation or council priorities.

ENDS