



**Sandwell Metropolitan Borough Council**

**Revenues and Benefits Service  
Council Tax Award of Discount Policy**

**2021/22**



## Meeting Ambition 10



### 1. INTRODUCTION

- 1.1 The Local Government Finance Act 1992 and any future amendments provide Local Authorities with the necessary powers to reduce Council Tax by awarding discounts where specific prescribed circumstances prevail.

For some Council Tax discounts, the Council may decide the levels of reduction it wishes to apply. This policy outlines the reductions that Sandwell Metropolitan Borough Council has decided to make in relation to these discounts.

### 2. GENERAL PRINCIPALS/REGULATIONS

- 2.1 Section 11(a) of the Local Government Act 1992 gives Local Authorities the flexibility to determine what, if any, discounts should be applied to empty properties.
- 2.2 Section 11B of the Local Government Finance Act 1992, introduced by Section 12 of the Local Government Finance Act 2012, allowed for Local Authorities to charge an amount for Council Tax where properties have remained empty and unfurnished for a period of 2 years or more. The charges were further amended by the Rating (Properties in Common Occupation) and Council Tax (Empty Dwellings) Act 2018. This is known as an 'empty homes premium' and the charges are shown in Section 3 below.

- 2.3 In addition, Section 13A of the Local Government Finance Act 1992, gives a Local Authorities powers to reduce amounts payable in specific cases where they feel further reductions should apply. This includes the power to reduce an amount to nil.

A separate policy entitled ‘Council Tax Discretionary Relief Policy’ outlines the background and procedures relating to Section 13A applications.

### 3. PROCESS FOR SERVICES / PROVIDERS

- 3.1 The purpose of this policy is to outline the level of discount that Sandwell has resolved to apply under the regulations highlighted in Section 2 above.
- 3.2 Discounts will be applied based on information received, Council Tax accounts will be updated and revised bills issued accordingly.
- 3.4 The level of Council Tax discounts**

#### Empty furnished property

Properties which are unoccupied but furnished – no discount is applied which generates a full 100% Council Tax charge.

100% council tax is payable from the date a property becomes empty but furnished, regardless of any change in ownership.

#### Uninhabitable property

Properties which are uninhabitable – no discount is applied which generates a full 100% Council Tax charge.

100% council tax is payable from the date a property becomes empty and uninhabitable, regardless of any change in ownership.

After two years, a long term empty homes premium will apply.(See below)

### Empty unfurnished property

Properties which are unoccupied and unfurnished – no discount is applied which generates a full 100% Council Tax charge.

100% council tax is payable from the date a property becomes empty and unfurnished, regardless of any change in ownership.

After two years, a long term empty homes premium will apply. (See below)

### Long term empty property

Prior to 1<sup>st</sup> April 2019, properties which have been empty and unfurnished for two years or more are charged an additional 50% 'empty premium' which generates a Council Tax charge of 150%

- From 1<sup>st</sup> April 2019 onwards, a 100% 'premium' applies to homes empty over 2 years, generating a Council Tax charge of 200%.
- From 1<sup>st</sup> April 2020 onwards, a 200% 'premium' applies to homes empty for over 5 years, generating a Council Tax charge of 300%.
- From 1<sup>st</sup> April 2021 onwards, a 300% 'premium' will be applied for homes empty for over 10 years, generating a Council Tax charge of 400%.

## **3.5 Appeals**

Liable parties can appeal if they disagree with the granting of an empty homes premium on an account based upon facts of an individual case, for example, they state that the property is not empty. The principle of a premium is not be open to appeal as it is the resolution of the Council

Appeals should initially be made in writing to Sandwell MBC. If still aggrieved, appeals may be made to the Valuation Tribunal Service.

## **4. POLICY REVIEW**

4.1 This policy will be reviewed on an annual basis.

## **5. EQUALITIES**

5.1 This policy has been produced in line with the Council's obligation to the Public Sector Equality Duty provided by the Equality Act 2010. No adverse impact on any protected characteristic has been identified as a result of this policy.