

Report of	Record of	Date
Director (Customer and Digital) (Introduced by Executive Member (Resources))	Executive Member Decision	October 2023

Applications to waive Council Tax Long-Term Empty Premium

Is this report confidential?	No
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Is this decision key?	No
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Savings or expenditure amounting to greater than £100,000	Significant impact on 2 or more council wards
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Purpose of the Report

- To consider applications received from 23 Council Tax payers requesting that their long-term empty premium is waived

Recommendations

- In line with the principles of the Fair Collection Charter the applicants should be supported to pay their bills with a fair and sensitive approach taken to collecting the money due.
- The applications to waive the long-term empty premium are not approved.

Reasons for recommendations

- The applications have been discussed in detail at both Senior Management Team and Leader & Deputy Leader Briefing. Most of these cases do not have any ongoing Council Tax liability and appropriate concessions have already been awarded to reduce the amount payable.
- Each case has been considered on its own merits to determine the circumstances outlined by the applicants are not deemed exceptional. The recommendation is therefore to refuse all the applications.

Other options considered and rejected

- None. The policy on Council Tax Discounts and Premiums sets out that premiums can only be waived in special circumstances.

Corporate priorities

7. The report relates to the following corporate priorities:

Housing where residents can live well	A green and sustainable borough
An enterprising economy with vibrant local centres in urban and rural areas	Healthy, safe and engaged communities

Background

8. The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Bill has given local authorities powers from 1 April 2019 to charge greater Council Tax premiums on homes that have been empty and unfurnished for more than 2 years.
9. In January 2019, Chorley's Executive Cabinet approved that from 1 April 2019 an additional premium of 100% should be charged for properties that have been unoccupied and unfurnished for more than two years.
10. A premium of 200% (total charge of 300%) was subsequently approved from 1 April 2020 for homes that have been empty and unfurnished for more than 5 year alongside a premium of 300% (total charge of 400%) from 1 April 2021 for homes that have been empty and unfurnished for more than 10 years.
11. This policy change demonstrates the Council's commitment to tackling the borough's shortage of housing and demand for affordable homes by encouraging owners of long-term empty properties to bring them back into use.
12. In August 2023 127 properties were subject to a long-term empty premium. The table below summarises the payment position for these cases, with the majority (74%), after excluding the cases with liability under review, paying their bill on time.

Status	Number of cases
Instalments up to date	85
Repayment plan up to date	5
Liability under review	5
Reminder or Final Notice	14
Post summons action	17
Enforcement Agent	1
Total	127

13. The policy on Council Tax Discounts and Premiums allows discretion for the premium to be temporarily removed for up to 6 months where the property is being marketed actively for sale or let.

14. The Executive Member (Resources) can also consider waiving all or part of the premium in special circumstances.
15. Although the policy is silent on the circumstances which may be treated as special, examples may include exceptional or unforeseen events beyond the control of the owner such as the COVID pandemic, a legal complexity preventing the sale or letting of the property or non-culpable financial hardship.
16. The current policy is due to be reviewed in 2023/24 as part of the Customer Services wholesale review of policies. The refreshed strategy will include additional detail about the special circumstances when a waiver to a premium may be granted.
17. Aside from this the government is also currently consulting on categories of dwellings which possibly will be standard exceptions to the council tax premiums. These include:
 - a. Properties undergoing probate (12 months)
 - b. Properties being actively marketed for sale or let (6 months)
 - c. Empty properties undergoing major repairs (6 months)
18. Waiving a long-term empty premium is treated as a change to the Council Taxpayer's liability. Council Tax revenue is distributed to the precepting authorities as show below:

Lancashire County Council	74%
Police and Crime Commissioner for Lancashire	12%
Chorley Council	10%
Lancashire Fire and Rescue Service	4%

19. If a premium is waived, other than a reduction in the Council Tax collectable net debit amount, there are no financial implications on the Council.
20. 23 applications have been received from Council Tax payers requesting that their premium is waived. All cases have already been awarded appropriate Council Tax reductions and only 1 case has ongoing liability.
21. The cases are outlined at Appendix A with a summary of their individual circumstances and the financial impact on each of the precepting authorities if the premium was waived.
22. A category has also been included to summarise the applicant's circumstances with most of the applications including COVID as a reason for their request.

Climate change and air quality

23. The work noted in this report has no impact on the Councils Carbon emissions and the wider Climate Emergency and sustainability targets of the Council.

Equality and diversity

24. There are no equality implications arising from this report.

Risks

25. There are no risk implications of this report.

Comments of the Monitoring Officer

26. The power of the Council to apply a higher amount of council tax for long-term empty dwellings contained in the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 is referred to in the body of the report. The Council has a discretion not to apply it by exception.

Comments of the Statutory Finance Officer

27. The total cost of these amounts is relatively small in relation to overall Council Tax receivable in excess of £78m. There would be no material impact upon Council budgets.

Background documents

There are no background papers to this report.

Appendices:

Appendix A - List of applications

Report Author:	Email:	Telephone:	Date:
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Following careful consideration and assessment of the contents of this report, I approve the recommendation(s) contained in Paragraphs 2 and 3 of the report in accordance with my delegated power to make executive decisions.

Councillor Peter Wilson
Executive Member for Resources Dated

This decision will come into force and may be implemented five working days after its publication date, subject to being called in in accordance with the Council's Constitution.

Appendix A: List of applications

	Ward	Background	Evidence provided	Cost if premium waived for period requested				
				Total	LCC	CBC	Police	Fire
1.	Chorley North West	<p>Application category: External delays with planning process and COVID</p> <p>A planning application proposing a single storey front extension was received on 19 February 2022 and determined on 28 February 2023.</p> <p>There are several reasons why the usual 8-week period to determine this type of application was exceeded. These include:</p> <ul style="list-style-type: none"> ○ a delay in validation of the application due to when accurate plans were provided ○ issues relating to the acceptability in planning terms of the proposed development itself ○ insufficient information being provided and delays in requests from the case officer being responded to ○ discrepancies on the plans provided, with a set of acceptable plans only provided on 6 January 2023 	No	£5,329.80	£3,944.05	£532.98	639.576	£213.19

		<p>Due to the pandemic builders can only commence repair works to the property in July 2024. These are expected to take between 6-9 months dependent on weather conditions and include:</p> <ul style="list-style-type: none"> ○ structural repairs ○ repairs to the cellar ○ damp proof course ○ new roof ○ complete removal of old plaster and re-plaster ○ new windows ○ installation of central heating ○ re-wire <p>When the works are completed the owner intends to move into the property.</p> <p>The applicant has requested that the premium is waived from 24.09.2022 until further notice.</p>						
2.	Chorley South West	<p>Application category: COVID</p> <p>Repair works to the property commenced in February 2020. However, due to the pandemic when builders' merchants were closed, and materials were unavailable the completion of these works took longer than expected.</p> <p>The owner has moved into the property.</p>	No	£451.35	£334.00	£45.14	£54.16	£18.05

		The applicant has requested that the premium is waived from 27.09.2020 to 01.12.2020.						
3.	Heath Charnock & Rivington	<p>Application category: COVID</p> <p>The long-term empty premium for the period 14.07.19 to 14.10.19. has already been waived under an Executive Member decision</p> <p>The property was inherited following the death of the owner's grandfather. The owner has requested that the premium is further waived due to delays with required building works due to the pandemic.</p> <p>Her builder has provided a supporting letter to confirm the works would have been completed earlier if supplies had been available.</p> <p>The property was tenanted from 24.07.2021.</p> <p>The applicant has requested that the premium is waived from 14.10.2019 to 01.07.2021.</p>	No	£4,158.09	£3,076.99	£415.81	£498.97	£166.32

4.	Chorley North East	<p>Application category: Health, financial and COVID</p> <p>The property was purchased in May 2019 and required a new roof, floors, utilities, and structural work to enable the property to be lived in.</p> <p>The owner was made redundant in July 2019 and struggled to complete the renovations subsequently borrowing money to do so.</p> <p>In August 2019, the owner required an operation and was unable to seek work due to this.</p> <p>The property was then marketed in March 2020 but because of the pandemic the sale took longer than expected.</p> <p>The property was sold on 11.02.2021.</p> <p>The applicant has requested that the premium is waived from 21.12.2020 to 11.02.2021.</p>	No	£223.53	£165.41	£22.35	£26.82	£8.94
5.	Chorley East	<p>Application category: COVID</p> <p>A combination of COVID and stamp duty issues delayed the purchase of the property by one month.</p> <p>The property has been occupied by the owner's sister since 13 April 2021.</p>	No	£57.40	£42.48	£5.74	£6.89	£2.30

		<p>However, her move in date was also delayed avoiding any impact on her Housing Benefit payment dates.</p> <p>The applicant has requested that the premium is waived from 31.03.2021 to 11.04.2021.</p>						
6.	Chorley North West	<p>Application category: Financial, health and COVID</p> <p>The long-term empty premium was approved to be waived by the Executive Member from 1 April 2021 due to the impact of COVID and the owner's financial circumstances. This was on the understanding that the property was brought back into use by 1 July 2022.</p> <p>The sale of the property has not yet completed, and the owner is now requesting that the premium waiver is extended to January 2024. The owner's husband has recently had an operation which has delayed renovations and the subsequent sale of the property.</p> <p>The applicant has requested that the premium is waived from 01.04.21 to 01.01.2024.</p>	No	£6,235.45	£4,614.23	£623.55	£748.25	£249.42

7.	Coppull	<p>Application category: COVID</p> <p>Refurbishment of the property commenced in January 2020. Delays then occurred due to the pandemic with costs rising and difficulties to secure traders.</p> <p>The customer had intended to renovate then sell the property. However, the property has been let from 29.04.2022.</p> <p>The applicant has requested that the premium is waived from 01.02.2020 to 31.03.2022.</p>	No	£1,981.47	£1,466.29	£198.15	£237.78	£79.26
8.	Adlington & Anderton	<p>Application category: COVID</p> <p>This application is for 2 properties.</p> <p>The refurbishment of the properties was delayed due to the pandemic resulting in a shortage of building materials and viewings by prospective tenants/purchasers being prohibited.</p> <p>Property A is now tenanted, and property B is now occupied by the owner.</p> <p>The applicant has requested that the premium is waived for property A from 16.04.2020 to 10.07.2020 and property B 28.04.2020 to 01.06.2020.</p>	No	£507.43	£375.50	£50.74	£60.89	£20.30

9.	Chorley North East	<p>Application category: COVID</p> <p>The property was inherited by the owner from their parents on 19th October 2017.</p> <p>There were issues selling the property due to a shared driveway and public footpath. A sale was secured in May 2020 which subsequently fell through due to the chain collapsing.</p> <p>The property was eventually sold on 03.12.2020.</p> <p>The applicant has requested that the premium is waived from 19.04.2020 to 03.12.2020.</p>	No	£1,463.66	£1,083.11	£146.37	£175.64	£58.55
10.	Euxton North	<p>Application category: COVID</p> <p>The property underwent extensive renovations which took longer than anticipated due to the pandemic.</p> <p>A lack of materials and availability of contractors contributed towards the delay in the works being completed.</p> <p>The property owner also a business proprietor was affected by the pandemic leading to a reduction in income alongside the rising cost of building works.</p> <p>The owner occupied the property on 31.01.2022.</p>	No	£1,364.80	£1,009.95	£136.48	£163.78	£54.59

		The applicant has requested that the premium is waived from 14.01.2021 to 01.09.2021.						
11.	Heath Charnock and Rivington	<p>Application category: COVID</p> <p>The property was built in the 1930's by the late owner's grandfather a former councillor who survived the great war.</p> <p>The family lived in the property until 1993 when it was subsequently let out.</p> <p>When the last tenant left the property in 2018 the decision was made to sell the property with planning permission.</p> <p>However, this was impacted by the pandemic as the owners were key workers during the pandemic providing food, services and produce and property viewings were not allowed.</p> <p>The property was sold on 16.08.2022.</p> <p>The applicant has requested that the premium is waived from 25.06.2020 to 16.08.2022.</p>	No	£1,781.72	£1,318.47	£178.17	£213.81	£71.27

12.	Chorley North East	<p>Application category: COVID</p> <p>The property was purchased in February 2019.</p> <p>Planning permission was granted in June 2019 when works commenced on the property straight away</p> <p>The owner states that for 4 months from April 2020 to June 2020 they were impacted by lockdown and lack of materials following the pandemic.</p> <p>The applicant has requested that the premium is waived from 01.01.2021 to 08.06.2021.</p>	No	£884.47	£654.51	£88.45	£106.14	£35.38
13.	Chorley East	<p>Application category: Legal complexities</p> <p>The owner's uncle owned and occupied the property when an Environmental Enforcement Order for work to be carried out on the property was enforced in August 2017.</p> <p>The current owner decided to purchase the property to help his uncle to resolve these issues. However, there were issues with the Land Registry regarding ownership because there was no record of the property's deeds. It took 18 months for the current owner to secure the necessary paperwork to purchase the property in June 2019.</p>	Yes Record of Environmental Enforcement Order	£4,716.24	£3,490.02	£471.62	£565.95	£188.65

		<p>The long-term empty premium was payable from October 2019 but as the owner only took control of the property in June 2019 and he did bring the property back into use he feels this is unreasonable.</p> <p>The property has been tenanted since 25.11.21.</p> <p>The applicant has requested that the premium is waived from 07.09.2019 to 24.05.2021.</p>						
14.	Clayton West & Cuerden	<p>Application category: Health and financial</p> <p>The owners purchased the property in 2015 to renovate and bring it back into use as a family home.</p> <p>They were trying to achieve this whilst working and undertaking the renovations themselves and buying materials by saving money and then committing to do the works.</p> <p>The owner has since been diagnosed with terminal cancer and they are struggling to repay the Council Tax liability.</p> <p>The property will be occupied by the owners as their as a family home.</p> <p>The applicant has requested that the premium is waived from 01.04.2019 to 31.03.2021.</p>	<p>Yes</p> <p>Photographs showing the extent of the work.</p>	£2,153.12	£1,593.31	£215.31	£258.37	£86.12

15.	Chorley North West	<p>Application category: COVID</p> <p>The owner states the pandemic impacted the cost and time taken to undertake renovations to the property.</p> <p>Additionally, a family member was undertaking a lot of repairs but unfortunately injured his back in June 2021.</p> <p>Furthermore, there were unforeseen repairs as the boiler was deemed faulty after new radiators were fitted to the property.</p> <p>The property will be occupied by the owner.</p> <p>The applicant has requested that the premium is waived from 02.03.2022 to 16.07.2022.</p>	No	£1,649.61	£1,220.71	£164.96	£197.95	£65.98
16.	Clayton West & Cuerden	<p>Application category: COVID</p> <p>The owner states the property was derelict on purchase.</p> <p>They also state that planning permission took 9 months to be determined. However, planning records show the initial application was validated in December 2018 and full planning permission granted in February 2019 for part of the works. A further separate application was made in May 2020 for erection of a dormer which was refused in October 2020.</p>	No	£816.67	£604.34	£81.67	£98.00	£32.67

		<p>The pandemic had an impact on the completion of the repair works due to contractors being busy and also caused a delay of 8 months for the gas meter to be fitted and 6 months for the electricity supply to be connected.</p> <p>The property will be occupied by the owner.</p> <p>The applicant has requested that the premium is waived from 01.04.2022 to 25.07.2022.</p>						
17.	Clayton East, Brindle & Hoghton	<p>Application category: Health</p> <p>The owner states the property is being renovated to occupy and required substantial renovations including major structural repairs.</p> <p>The owner and her partner both have health issues which have impacted the time taken to complete the repair works.</p> <p>The owner suffers from chronic fatigue syndrome as well as caring for her aging mother and her partner has been treated for bladder cancer. Ongoing hospital appointments for both also delayed the works being completed</p> <p>The property is now furnished and will be occupied by the owner.</p>	Yes Schedule of intended works.	£1,561.70	£1,155.66	£156.17	£187.40	£62.47

		The applicant has requested that the premium is waived from 31.08.2019 to 29.08.2020.						
18.	Chorley South East & Heath Charnock	<p>Application category: Financial</p> <p>The property was purchased in August 2017 with the intention of the owners saving until they could afford renovations on the property.</p> <p>The property had not had any works completed since the 1960's and therefore required extensive renovations at considerable cost which impacted the length of time taken to bring the property back into use.</p> <p>The applicant therefore feels it is unreasonable to charge the long -term empty premium.</p> <p>The owner's son moved in, but the property has since been sold.</p> <p>The applicant has requested that the premium is waived from 30.08.2019 to 31.01.2020.</p>	No	£958.63	£709.39	£95.86	£115.04	£38.35

19.	Chorley South East & Heath Charnock	<p>Application category: COVID</p> <p>The owner states there were delays in the property being completed and renovated due to the pandemic.</p> <p>They state one example as being a 3-month delay on windows being delivered.</p> <p>The owner will occupy the property.</p> <p>The applicant has requested that the premium is waived from 26.09.2021 to 15.09.2022.</p>	No	£1,879.54	£1,390.86	£187.95	£225.54	£75.18
20.	Heskin & Charnock Richard	<p>Application category: Financial and COVID</p> <p>The property was purchased in February 2019 and planning permission granted in June 2019 when renovation works then commenced on the property straight away.</p> <p>The owner states that for 4 months from April 2020 to June 2020 they were impacted by lockdown and lack of materials.</p> <p>They feel that they are bringing the property back into use and were hoping to have the renovations completed in 6-8 months at the time the application to waive the premium was made.</p> <p>However, works are still ongoing. The owner feels that charging the premium</p>	No	£1,138.91	£842.79	£113.89	£136.67	£45.56

		<p>impacts their ability to finance works to the property and will lengthen the time taken.</p> <p>The property will be let when the renovations are completed.</p> <p>The applicant has requested that the premium is waived from 08.01.2022 to 08.08.2022.</p>						
21.	Heskin & Charnock Richard	<p>Application category: Listed building complexities</p> <p>The property is a Grade II listed building which suffered a fire and required a heritage assessment to preserve and retain as much of the building as possible.</p> <p>Extensive surveys were required including a specialist historian to enable preservation of the property. A heritage assessment was carried out in February 2018. This stated that the property is of high importance due to its special architectural and historic interest. The property is a rare example of a late 16th or 17th century property and to enable restoration required specialist renovations. This was also confirmed by the planning team.</p> <p>The property will be let when the renovations are completed.</p> <p>The applicant has requested that the premium is waived from 23.05.2019 to 23.07.2021.</p>	<p>Yes</p> <p>Photographs of the extent of damage</p> <p>Heritage Assessment</p> <p>Extent of works confirmed by Planning</p> <p>Confirmation that the property will be re-let</p>	£6,198.92	£4,587.20	£619.89	£743.87	£247.96

22.	Chorley North & Astley	<p>Application category: Health and financial</p> <p>The owner's daughter has appealed on his behalf as he suffered a stroke and is receiving care making it financially unviable for him to afford the long-term empty premium.</p> <p>The applicant has not given a period for the premium to be waived however the only current outstanding charge is for the period set out below.</p> <p>She feels her father should not be charged the premium due to him being cared. However, he has not occupied this property the statutory exemption for a person receiving care does not apply in these circumstances.</p> <p>The property requires renovation to be able to bring it back into use. It has not been confirmed how or when they propose to do this.</p> <p>The applicant has not proposed a period for the premium to be waived however the only current outstanding charge is for the period 01.04.2020 to 30.09.2020 when the property was removed from the Valuation list by the VOA.</p>	No	£2,353.46	£1,741.56	£235.35	£282.42	£94.14
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23.	Croston, Mawdesley & Euxton South	<p>Application category: COVID</p> <p>The owner purchased the property with his business partner on 12.12.2019, on 13.03.21 he became the sole owner.</p> <p>The property required major renovations to bring it back into use, including a new roof and structural alterations.</p> <p>These renovations were delayed by the pandemic and a lack of building materials being available</p> <p>The property is now occupied by the owner.</p> <p>The applicant has requested that the premium is waived from 13.03.2021 to 31.03.2022.</p>	<p>Yes</p> <p>Confirmation of planning consent with project plans.</p> <p>Letter detailing schedule of works.</p>	£3,202.61	£2,369.93	£320.26	£384.31	£128.10
	Totals			£45,738.78 Total	£33,846.70 LCC	£4,573.88 CBC	£5,488.65 Police	£1,829.55 Fire

