



Sandwell Metropolitan Borough Council

Revenues and Benefits Service Council Tax Award of Discount Policy

2019/20



Meeting Ambition 10



1. INTRODUCTION

- 1.1 The Local Government Finance Act 1992 and future amendments provide local authorities with the necessary powers to reduce Council Tax by awarding discounts where specific prescribed circumstances prevail. For some 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 11 (b) of the Local Government Finance Act 1992 allows local authorities to increase the council tax charge on long term empty properties by up to 50%.
- 2.3 In addition, Section 13A of the Local Government Finance Act 1992, gives a billing authority 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 this.

3. PROCESS FOR SERVICES / PROVIDERS

- 3.1 The purpose of this policy is to outline the level of discount that Sandwell has decided 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 to be awarded are detailed below:

Empty furnished property

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

Uninhabitable property

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

Empty unfurnished property

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

Long term empty property

- Prior to 1st April 2019, properties which are empty and unfurnished for two years or more are charged an additional 50% 'premium' which generates a Council Tax charge of 150%.
- From 1st April 2019 onwards, a 100% 'premium' will be applied for homes empty over 2 years, generating a Council Tax charge of 200%.
- From 1st April 2020 onwards, a 200% 'premium' will be applied for homes empty for over 5 years, generating a Council Tax charge of 300%.

- From 1st April 2021 onwards, a 300% 'premium' charge will be applied for homes empty for over 10 years, generating a Council Tax charge of 400%.

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.