
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations are made under sections 12A(4) and (5) and 12B(5) and (6) of the Local Government Finance Act 1992 and they come into force on 31 January 2016.

Section 11(2)(a) of the Local Government Finance Act 1992 (“the Act”) makes provision for a council tax discount where there is no resident of a dwelling. Sections 12A and 12B of the Act (inserted by section 139 of the Housing (Wales) Act 2014) enable billing authorities (county and county borough councils), in certain circumstances, to disapply the discount and apply a higher amount of council tax.

Under section 12A of the Act billing authorities may apply the higher amount to long-term empty dwellings. A dwelling is a “long-term empty dwelling” if it has been unoccupied and substantially unfurnished for a continuous period of at least one year (section 12A(11)). Under section 12B billing authorities may apply the higher amount to dwellings that are occupied periodically where certain conditions apply. Those conditions are that there is no resident of the dwelling and the dwelling is substantially furnished (section 12B(2)).

In both cases the billing authority may determine that the amount of council tax payable in respect of the dwellings is to be increased by up to 100%. In respect of long-term empty homes, the billing authority may specify different percentages for different dwellings based on the length of time for which they have been empty.

These Regulations prescribe the classes of dwelling in relation to which a billing authority may not make a determination to apply a higher amount of council tax.

Regulations 4, 5, 6 and 7 prescribe classes of dwelling for the purposes of section 12A(4) (long term empty dwellings) and section 12B(5) (dwellings occupied periodically).

Regulations 4 and 5 (Class 1 and 2) exclude, for a maximum of one year, dwellings that are on the market for sale or let. Where a dwelling has benefitted from an exception under Class 1 it will not be entitled to a further period of exception until the dwelling has been sold. Where a dwelling has benefitted from an exception under Class 2, it will not be eligible for a further period of exception unless it has been subject to a tenancy that was granted for a term of six months or more.

Regulation 6 (Class 3) excepts from the higher amount annexes that are being used as part of the main residence or dwelling. The exception in regulation 7 (Class 4) applies to dwellings that would be a person’s sole or main residence but which is unoccupied because that person resides in armed forces accommodation.

Regulations 8, 9, and 10 prescribe classes of dwellings for the purpose of section 12B(5) (dwellings occupied periodically).

The exception in regulation 8 (Class 5) excludes pitches occupied by caravans and moorings occupied by boats. Regulation 9 (Class 6) applies to dwellings the occupation of which is restricted by a planning condition preventing occupancy for a continuous period of at least 28 days in a year. This class will include purpose built holiday homes or chalets that are subject to planning condition restricting year-round occupancy. The exception in regulation 10 (Class 7) applies to job-related dwellings and dwellings that are occupied periodically when the usual resident is residing in job-related accommodation. The meaning of “job-related dwellings” is given in the Schedule to these Regulations.

Status: *This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

The Welsh Ministers' Code of Practice on the carrying out of Regulatory Impact Assessments was considered in relation to these Regulations. As a result, a regulatory impact assessment has been prepared as to the likely costs and benefits of complying with these Regulations. A copy can be obtained from the Local Government Finance Policy Division, Welsh Government, Cathays Park, Cardiff, CF10 3NQ.