



**WEST OXFORDSHIRE
DISTRICT COUNCIL**

WEST OXFORDSHIRE DISTRICT COUNCIL

Name and date of Committee	EXECUTIVE – 11 FEBRUARY 2026
Subject	LONG TERM COUNCIL TAX EMPTY PROPERTY PREMIUM EXEMPTION OF PROPOSED DEMOLITION PROPERTIES
Wards affected	Charlbury and Finstock, North Leigh, Eynsham and Cassington
Accountable member	Councillor Alaric Smith – Executive Member for Finance Email: alaric.smith@westoxon.gov.uk
Accountable officer	Jon Dearing – Executive Director Email: jon.dearing@publicagroup.uk
Report Author	Mandy Fathers – Business Manager for Environmental, Welfare and Revenues Email: mandy.fathers@publicagroup.uk
Summary	To consider the removal of the Long-Term Empty Property Premium for Cottsway owned properties that are due to be demolished.
Annexes	Annex A – Council Tax status of properties
Recommendations	<p>That the Executive resolves to:</p> <ol style="list-style-type: none">1. Delegate responsibility to the Director of Finance in consultation with the Executive Member for Finance and Executive Member for Housing and Social Care to remove, where it can be shown this will expedite the delivery of new social and affordable rent homes, the Long Term Empty Property Premiums for the properties set out in the report and other properties for registered providers that meet the same criteria; and,2. Note that any removal of the Empty Property Premium is reviewed at least every twelve months to ensure that progress on redevelopment is being made.
Corporate priorities	Working Together for West Oxfordshire Responding to the Climate and Ecological Emergency
Key Decision	No
Exempt	No
Consultees/ Consultation	Chief Executive, Director of Governance and Regulatory Services, Director of Finance, Head of Finance, Director of Place, Head of Legal Services, Executive Director, Managing Director (Publica)

I. EXECUTIVE SUMMARY

- I.1** Proposals are being put forward for the Executive Member for Finance to consider the removal of the Long-Term Empty Property Premium on individual Cottsway properties that are pending demolition.

I. BACKGROUND

- 2.1** Since April 2019, government has delegated additional powers to Local Authorities to incentivise property owners to bring their empty properties back to the market by introducing high premiums for Council Tax on those properties that remain empty and unfurnished after a period of two year or more.
- 2.2** In May 2022, the Government published the Levelling Up and Regeneration Bill (“the Bill”). The Bill included proposals aimed at further addressing empty properties through the reduction in the time after which a premium on an empty property can be charged (from 2 years to 1 year). The Bill received Royal Assent on 23 October 2023.
- 2.3** The maximum permitted increase for premiums is as follows:
- 100% premium from 1 April 2024 for those properties which have been empty for one year and over.
 - 200% premium from 1 April 2020 for those properties which have been empty for five years and over.
 - 300% premium for 1 April 2021 for those properties which have been empty for ten years and over.
- 2.4** The Council adopted the application of these premiums as detailed above, with exemptions for properties that are genuinely on the market for sale or let, as per Government guidance.

2. MAIN POINTS

- 2.1.** Cottsway Housing Association are undergoing a programme of redevelopment with some of their housing stock.
- 2.2.** The sites for redevelopment are:
- 1) Evenlode Close, Charlbury – consisting of 12 flats and 1 warden flat
 - 2) Shakenoak, North Leigh – consisting of 13 flats
 - 3) Spareacre Lane and Mill Street, Eynsham - consisting of 15 flats and 1 house.
- 2.3.** All three sites were former sheltered accommodation schemes which will be demolished and redeveloped into general needs accommodation for the over 55's.
- 2.4.** The redevelopment process is very much in the early stages with planning applications for Spareacre Lane already submitted to the Council; Shakenoak planning applications are due to be submitted towards the end of February and Evenlode Close towards the end of March 2026.
- 2.5.** Evenlode Close, Charlbury has been empty and unoccupied for a number of years with each property attracting the empty home premium. For 2025/26 the total liability payable by Cottsway Housing Association for this site is £42,142.36, including the premium.
- 2.6.** Shakenoak, North Leigh is 61% empty and unoccupied (8 properties), with 5 properties being occupied by ‘property guardians’ for security reasons. These occupants are liable for council tax. Of those that are empty and unoccupied 4 are already attracting the empty home premium. The remaining 4 will have the premium applied during 2026. For 2025/26 the total liability payable by Cottsway Housing Association for this site is £13,100.25.

- 2.7. Spareacre Lane and Mill Street, Eynsham is 50% empty and unoccupied (8 properties), with 8 properties still being occupied by tenants that are waiting to be rehomed pending suitable accommodation being sourced. These tenants are still liable for council tax until such time as they vacate. Of those that are empty and unoccupied 5 will attract the empty property premium applied during 2025/26, and 4 during 2026/27. For 2025/26 the total liability payable by Cottsway Housing Association for this site is £8,211.11. This figure will increase slightly following the application of 3 further premiums during the rest of this financial year.
- 2.8. Given the policy stance upon introducing the premium was that it was levied to encourage properties to be brought back into the housing stock it seems inappropriate to penalise a registered social housing landlord who has advanced plans to redevelop these aging sites, consisting of properties that are no longer fit for purpose.
- 2.9. It would seem entirely within the aims of the scheme to exempt properties from this premium that have advanced redevelopment plans which will deliver improved accommodation units to replace the current ones. Added to this, Cottsway Housing Association are the most significant development partner of the Council in respect of affordable housing and penalising them in respect of their actions to redevelop the sites would run counter to the Council's objectives in respect of affordable housing.
- 2.10. Furthermore, releasing Cottsway HA from the financial burden of penalties would allow them to invest those funds in creating further affordable and social rent homes in the district.
- 2.11. These sites will be kept under review by officers and an annual update report will be submitted to the Director of Finance.

3. FINANCIAL IMPLICATIONS

- 3.1. The premium levied for properties that have been empty for 1 year, but less than 5 years is an additional 100% of the council tax charge. The additional tax raised is shared across the precepting authorities. The loss of revenue in respect of this report and for 2025/26 would be as follows:

Site	Charge/Levy	OCC	Police	WODC	Town/Parish
Evenlode CI	21,071.18	16,480.13	2,442.44	1,115.52	1,033.09
Shakenoak	4,025.62	3,148.51	466.62	213.12	197.37
Spareacre Lane/Mill St	1,567.71	1,226.14	181.72	82.99	76.86
Total	£26,664.51	£20,854.78	£3,090.78	£1,411.63	£1,307.32

- 3.2. Council tax has not been set for 2026/27 but there will be an increase in premiums charged.

4. LEGAL IMPLICATIONS

- 5.1 Since April 2013 Local Authorities in England have been given delegated powers under Section 11B of the Local Government Finance Act 1992 to increase council tax on a local level. Section 80(1)(b) of the Levelling Up and Regeneration Act 2023 ("the Act) permits billing authorities in England to impose an empty homes premium after one year instead of two. Section 79 of the Act amends the Local Government Finance Act 1992 (LGFA) by reducing the period a premium can be applied to a long-term empty property from two years to one.

5. RISK ASSESSMENT

- 5.1** There is a small risk of the Council setting a precedent of its discretionary use in respect of the application or withdrawal of a long-term empty premium. However, it should be noted that these individual properties are pending demolition for Cottsway HA to build more modern social housing properties which is a key priority of the Council.

6. EQUALITIES IMPACT

- 6.1.** There are none associated with this report.

7. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS

- 7.1.** Given the age and construction of the existing properties, the redevelopment even if built only to existing building standards will significantly improve the energy efficiency and therefore have a positive impact.

8. ALTERNATIVE OPTIONS

- 8.1.** The Executive may decide not to remove the long-term empty premiums already applied for 2025/26 or those due in 2026/27 from the properties of the three sites.

9. BACKGROUND PAPERS

- 9.1.** None.