

Non Domestic Rates Empty Property Relief Policy



Document Management - Version Control

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1. Introduction/Background

Non Domestic Rates (NDR) represent charges on the occupancy of lands and heritages in the Valuation Roll. NDR Charges are levied in terms of the Local Government (Scotland) Act 1947 (as amended).

NDR, often referred to as business rates, are levied on non-domestic properties, subject to statutory exemptions and reliefs. The NDR framework for Scotland is devolved to the Scottish Parliament and Scottish Government.

This document sets out West Dunbartonshire Council's (the Council) policy per Section 19 of the Non-Domestic Rates (Scotland) Act 2020. (Commencement No.3 and Commencement No.2, Transitional and Saving Provisions) (Amendment) Regulations 2022.

The cost of Empty Property Relief is funded by the Council based on the settlement and distribution agreement methodology from Scottish Government.

2. Empty Property Relief

Entitlement to Empty Property rates relief is determined by section 3A of the Local Government (Financial Provisions etc.) (Scotland) Act 1962 (as inserted by the Community Empowerment (Scotland) Act 2015) to offer discretionary local reliefs for empty properties.

The appropriate level of relief that may be applied to any property and organisation meeting the criteria as set out in the Council's Empty Property Relief Policy is listed below:

- All non industrial unoccupied properties are eligible receive 50% relief from non-domestic rates for the first 3 months they are unoccupied, reducing to a 10% relief thereafter.
- Unoccupied industrial properties are eligible to receive 100% relief from non-domestic rates for the first 6 months they are unoccupied, reducing to a 10% discount thereafter.
- 100% relief may be awarded where a property is unoccupied, with no limit of time, where the following criteria are met:
 - a listed building
 - a rateable value under £1,700
 - owned by a trustee for sequestration, liquidation or executors
 - the owner is a company or partnership being wound up
 - the owner is in administration (or subject to administration order)
 - by law, the property cannot be occupied
 - under a compulsory purchase order
 - the property has no buildings.

3. How to Apply for Empty Property Rates Relief

The Council will require a separate application for each rateable property. All requests for rates relief must be made on the relevant online application form and supported by the appropriate documentation, as applicable, to be eligible for this relief;

- Listed Building Status Confirmation
- Notice of sequestration, liquidation or executors
- Notice of winding up
- Notice of Administration or subject to administration order
- Notice of restricted occupation, surveyors reports

- Notice of compulsory purchase order
- Relevant maps, photographic evidence
- Removal evidence

Empty Property Relief is granted from the date the property is unoccupied and only backdated to prior years in exceptional circumstances. Empty Property Relief will be awarded for a maximum period of 1 year up to the 31 March of the current year and requires annual applications thereafter.

The Council will review all ratepayers in receipt of Empty Property Relief at a mid-year point, normally October, in order for the Council to review and receive appropriate confirmation that the organisation remains eligible for this relief.

3.1 Part Occupation

Where the Council determines that part of a property is unoccupied for a short period, namely six months, it may ask the Assessor to apportion the Rateable Value between the occupied and unoccupied parts of the property.

In that case, the Assessor must apportion accordingly and the following applies. The Rateable Value for the whole property is taken for rating purposes to be the apportioned value of the occupied portion plus a percentage of the apportioned value of the unoccupied portion. That percentage is:

- 0% for industrial property empty for up to 6 months
- 90% for industrial property empty for over 6 months
- 50% for non-industrial property empty for up to 3 months
- 90% for non-industrial property empty for over 3 months.

This does not entail the Valuation Roll itself being altered, but the apportioned figures supplied to the Council by the Assessor on request. Part-occupation is generally considered when a ratepayer can clearly evidence that part of the property is unoccupied. The start date for Empty Property Relief is the later of the date part occupation commenced or the start of the financial year in which the Council's request was made to the Assessor. Note there is no provision to allow for prior years applications.

The end date is the earliest of:

- the end of the part occupation;
- the end of the financial year in which the Council's request was made to the Assessor;
or
- a further apportionment being made; or
- the date property became fully unoccupied.

The Council may extend the duration into the following financial year.

Applications for Empty Property Relief are available online via the Council's Business Webpage.

Further assistance can be provided by contacting the Finance Service Centre via email: rates@west-dunbarton.gov.uk or by telephoning 01389 737737.

The Council retains the right to inspect all such properties that make declarations on which Empty Property Relief is being applied.

4. Rights of Appeal

Where an organisation has been refused Empty Property Rates Relief for any reason an appeal may be heard by a panel from the Council's Corporate Services Committee made up of 3 members.

To submit an appeal this must be made in writing to the Chief Officer of Resources providing grounds of appeal and any relevant supporting evidence/documentation. Appeals must be made within 28 days of receipt of the Council's final written decision.

5. Fraudulent Application

Any applications found to be made fraudulently will result in reliefs being cancelled and reapportioning all relevant invoices and reissued for immediate payment. Police Scotland will be advised alongside all other relevant authorities/bodies.

6. Policy Review

A review of the Non Domestic Rates Empty Property Relief Policy will be undertaken in light of any legislative changes, or other factors that impact the effectiveness of the policy.

Related Policies

West Dunbartonshire Council Corporate Debt Policy (Section 5.2)