
Report To:	Policy & Resources Committee	Date:	6 February 2024
Report By:	Chief Financial Officer	Report No:	FIN/07/24/AP/LA
Contact Officer:	Alan Puckrin	Contact No:	01475 712090
Subject:	Non-Domestic Rates Empty Property Relief Policy		

1.0 PURPOSE AND SUMMARY

- 1.1 For Decision For Information/Noting
- 1.2 The purpose of this report is to update Committee with the outcome of the results from the public consultation on proposed amendments to the Non-Domestic Rates Empty Property Relief (NDR EPR) Policy including views on economic development support to encourage businesses to occupy empty premises.
- 1.3 The results of the consultation were inconclusive but did recognise the need for change. The draft revised Policy seeks to balance the desire to reduce the time buildings are empty with the need where appropriate to provide support to businesses to occupy empty properties.
- 1.4 The report indicates the estimated financial implications of amending the Policy and seeks a decision from the Committee on the proposals with a planned implementation date of 1 October 2024.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that Committee note the results of the public consultation on proposed amendments to the NDR EPR Policy detailed in Appendix 1.
- 2.2 It is recommended that Committee note the potential estimated financial implications of the proposed amendments to the updated Non-Domestic Rates Empty Property Relief (NDR EPR) Policy and that the intention that the EPR Budget is ringfenced to smooth out demand and provide support for empty properties to be occupied.
- 2.3 It is recommended that the Committee note that the Director of Environment & Regeneration will present a report to the Environment & Regeneration Committee on the type of support to be provided to bring empty properties back into use.
- 2.4 It is recommended that the Committee thereafter approve the amended Policy attached at Appendix 2.

Alan Puckrin
Chief Financial Officer

3.0 BACKGROUND AND CONTEXT

- 3.1 With effect from 1st April 2023, the determination and administration of NDR Empty Property Relief (EPR) was devolved to local authorities in Scotland. The Council is therefore required to set its own Policy for the rating and Reliefs available for unoccupied or empty properties.
- 3.2 At the meeting of the Policy and Resources Committee on 31st January 2023, the Council's NDR EPR Policy was approved with an implementation date of 1st April 2023, reflecting the conditions and criteria of the Scottish Government legislation it replaced. Further, it was remitted to Officers to develop proposals for an amended NDR EPR Policy as part of the development of the Budget 2024/25.
- 3.3 The Scottish Government included £105 million per annum (fixed for three years) from 2023/24 to compensate councils for the costs of paying NDR EPR based on historic spend plus an element of headroom. The sum allocated to Inverclyde Council in 2023/24 is £788,000 of which the Council agreed to reduce by £288,000 as part of the 2023/24 Budget based on projected costs. The latest position of Empty Property Relief expenditure allocated to 2022/23 accounts is £338,000 and to 2023/24 accounts is £270,000. The number of empty properties receiving relief in 2022/23 is 215 and in 2023/24 is 186.
- 3.4 The Policy allows relief to be backdated to the start of the financial year in which the application is made, subject to satisfying the requirements at the time. Applications for the previous year can be considered provided sufficient evidence is submitted in support of the application. Consideration may also be given where an organisation has been rated retrospectively either through the actions of the Council or the Assessor. The estimated cost of the policy, especially current year expenditure is expected to increase as NDR ratepayers engage with the service to apply for the relief.
- 3.5 Reviewing the NDR Empty Property relief provides an opportunity to make changes that will encourage owners to bring empty premises back into use, therefore supporting the aims of the Economic strategy to strengthen the local economy, support existing businesses and encourage business to locate in Inverclyde.
- 3.6 The development of a local NDR EPR Policy, with an implementation date of 1 October 2024, is a key action in the Policy and Resources Committee Delivery and Improvement 2023/26 which was approved by the Committee at its meeting on 23 May 2023.
- 3.7 The NDR EPR Policy Consultation 2023 was approved by the Policy and Resources Committee at its meeting on 19th September 2023. The survey ran from 20th September 2023 until 31st October 2023. Responses were analysed by officers independent of the Finance Service and Regeneration Service. The results are summarised at section 4 with more detail provided in Appendix 1.
- 3.8 The consultation results were largely inconclusive. While some questions returned strong views, there was generally no consensus. Overall, there is a desire to reduce the number of unoccupied premises and there is agreement over the provision of incentives and support to encourage occupation of empty premises. Rates relief for Empty Listed Buildings was viewed as being needed for a limited period rather than indefinitely. The results of the survey do not however provide an agreed position on an appropriate duration or level of relief.
- 3.9 There was a favourable response to the proposal to equalise NDR EPR for empty industrial premises with the current level of relief for empty non-industrial premises. Empty industrial premises currently receive full Relief (100%) for six months, followed by 10% until the premises are occupied. Empty non-industrial premises receive 50% for three months, followed by 10% thereafter until the premises are occupied.

3.10 A consideration when reviewing the responses is that while the highest proportion came from members of the business community, letting or owning premises, the largest single group who responded to the survey was interested members of the public.

4.0 MINIMISING TAX EVASION

4.1 The Non-Domestic Rates (Miscellaneous Anti-Avoidance Measures) (Scotland) Regulations 2023 introduces a new measure to minimise tax evasion through contrivance. Where NDR EPR has ceased to be available, any subsequent application for relief by the same owner or tenant must demonstrate to the council that making the application is not part of an artificial non-domestic rates avoidance arrangement. An intention of the regulations is to prevent the provision of relief where premises are occupied to a limited extent for a recurring period so that further reductions can be considered when they again become empty. In such circumstances, if the occupant was a previous tenant or has a direct relationship with the owner/landlord then no further exempt reduction would be awarded when the premises become occupied.

5.0 PROPOSALS

5.1 Officers are recommending changes to EPR for Listed Buildings and the equalisation of reliefs for Industrial and non-Industrial properties. In addition, it is proposed that the implementation date for the changes be set as 1 October 2024 to give adequate notice to any parties impacted. The key elements to be considered in agreeing amendments to the policy are to support owners to bring property back into use; contain costs within the agreed budget; simplicity for taxpayers; ease of administration; and minimise tax evasion.

5.2 The main proposed amendments contained within the draft Non Domestic Rates Empty Property Relief Policy found at Appendix 2. The potential estimated financial implications of the proposed amendments to the policy are detailed in Appendix 3.

5.3 In addition, it is proposed that funds raised from changes to the NDR Empty Property Relief policy are retained to smooth the variable demand and reinvested to support local businesses to occupy commercial properties which have been vacant for a period for example, grants, business support. The Regeneration Service will consider the comments made within consultation responses, as well as drawing from local knowledge and engagement with businesses, and present the proposed use of the funds to a future Environment and Regeneration Committee.

6.0 IMPLICATIONS

6.1 The table below shows whether risks and implications apply if the recommendations are agreed:

SUBJECT	YES	NO
Financial	x	
Legal/Risk	x	
Human Resources		x
Strategic (Partnership Plan/Council Plan)	x	
Equalities, Fairer Scotland Duty & Children/Young People's Rights & Wellbeing	x	
Environmental & Sustainability		x
Data Protection		x

6.2 Finance

On the basis that it is agreed that any unspent budget is carried forward to smooth variations in annual demand and provide support to businesses to occupy vacant properties there will be no net financial implications.

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
NDR	EPR	1.4.24	£500k		Annual budget

6.3 Legal/Risk

Legal Services assisted with the development of the proposed changes to the Non Domestic Rates Empty Property Relief Policy.

As the devolution of this power to councils is for an initial 3 year period there is the risk that this Policy could revert to a Scotland wide basis inn the medium term and as such further savings from this budget are not recommended at this time.

6.4 Human Resources

There are no HR implications arising from this report.

6.5 Strategic

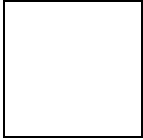
The proposed changes to the Non Domestic Rates Empty Property Relief Policy will positively impact upon the priority to develop the local economy.

6.6 Equalities, Fairer Scotland Duty & Children/Young People

(a) Equalities

This report has been considered under the Corporate Equalities Impact Assessment (EqIA) process with the following outcome:

X	YES – Assessed as relevant and an EqIA is required in relation to the proposed change to the Non-Domestic Rates Empty Property Relief Policy.
---	---



NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, assessed as not relevant and no EqlA is required. Provide any other relevant reasons why an EqlA is not necessary/screening statement.

7.0 CONSULTATION

- 7.1 The NDR EPR Policy Consultation 2023 ran from 21st September 2023 until 31st October 2023. The main method by which people were invited to respond was via an on-line survey. A total of 2,800 Non-Domestic Ratepayers in the area were contacted by post, inviting them to complete the on-line survey. A paper questionnaire was also made available which, following completion, could be returned to the Council in a reply-paid envelope. A number of stakeholder groups were invited to participate in the process including Inverclyde residents; Council employees; the local business community; and the Council's Citizens' Panel. A total of 153 people responded.

8.0 BACKGROUND PAPERS

- 8.1 Equality Impact Assessments - Inverclyde Council

<https://www.inverclyde.gov.uk/council-and-government/equality-impact-assessments>

Results of the Non-Domestic Rates Empty Property Relief Policy Consultation 2023

Consultation Period: 20th September 2023 until 31st October 2023

1.0 Consultation Methodology

1.1 A total of 2,800 Non-Domestic Ratepayers in the area were contacted by post, inviting them to complete an on-line survey. A paper questionnaire was provided for those who chose not to go online. Stakeholder groups were invited to participate in the process including Inverclyde residents; the local business community; the Council's Citizens' Panel; and Council employees.

1.2 A total of 153 people responded to the survey, 52 via the on-line survey and 101 via the paper questionnaire. Over and above this number, 26 respondents who completed the Consultation 2023 via a paper survey opted not to answer the mandatory profile question. In those cases, the respondents' answers to the remainder of the survey were therefore discounted.

1.3 For most of the Consultation questions, respondents were invited to provide a reason(s) for their answers which are summarised in section (2), Consultation Results.

1.4 Respondents were asked to indicate from a list in what capacity they were responding to the Consultation (Table 1). All options required respondents to have a connection to Inverclyde and can be defined as 31% being an interested member of the public, 27% being an owner of occupied business premises, 26% being a member of the business community letting premises, 6% being the owner of an empty business premises with a further 6% of responses received on behalf of a community organisation, 3% were owners of empty premises in Inverclyde with a rateable value of less than £1,700. No responses were received from respondents declaring to be owners of Listed building business premises in Inverclyde or from those who have tried to let premises in Inverclyde but do not at present.

1.5 The range of consultation responses and the associated degree of awareness of respondents give some confidence that the views reflected have a reasonable degree of validity and are appropriate for consideration in informing the review. All sample surveys are however subject to a degree of random error. Based on the return rate, the margin of error is +/- 7-10%.

1.6 **Question 1. Respondent Profile**

Total No. of Responses – 153

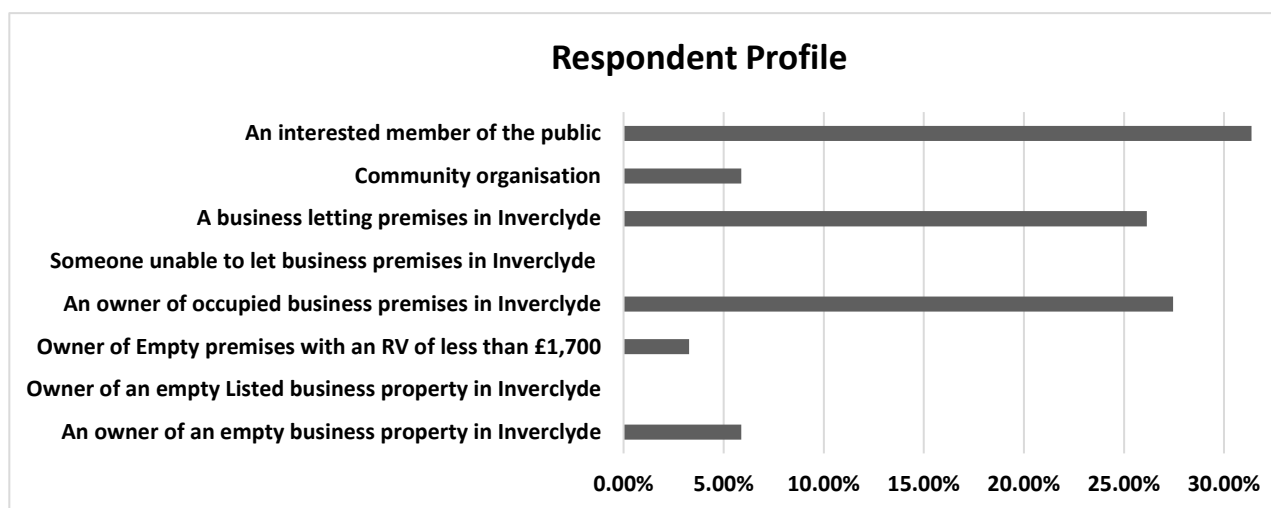


Table 1

2.0 Consultation Results

2.1 The survey began by stating that, as at July 2023, there were 17 local Listed buildings receiving Empty Property Rates Relief at a cost to the Council of £147,100 and that the period of time those buildings have been empty and in receipt of Relief varied between five months and 29 years. In respect of views on the level of relief provided for Empty Listed Buildings, responses were 55% of the 151 who responded agreeing or strongly agreeing with the current level of relief being provided, with 35% disagreeing and 10% neither agreeing nor disagreeing (Table 2).

2.2 **Question 2. Do you agree with the current level of relief provided for empty Listed Buildings?**

Total No. of Responses – 151

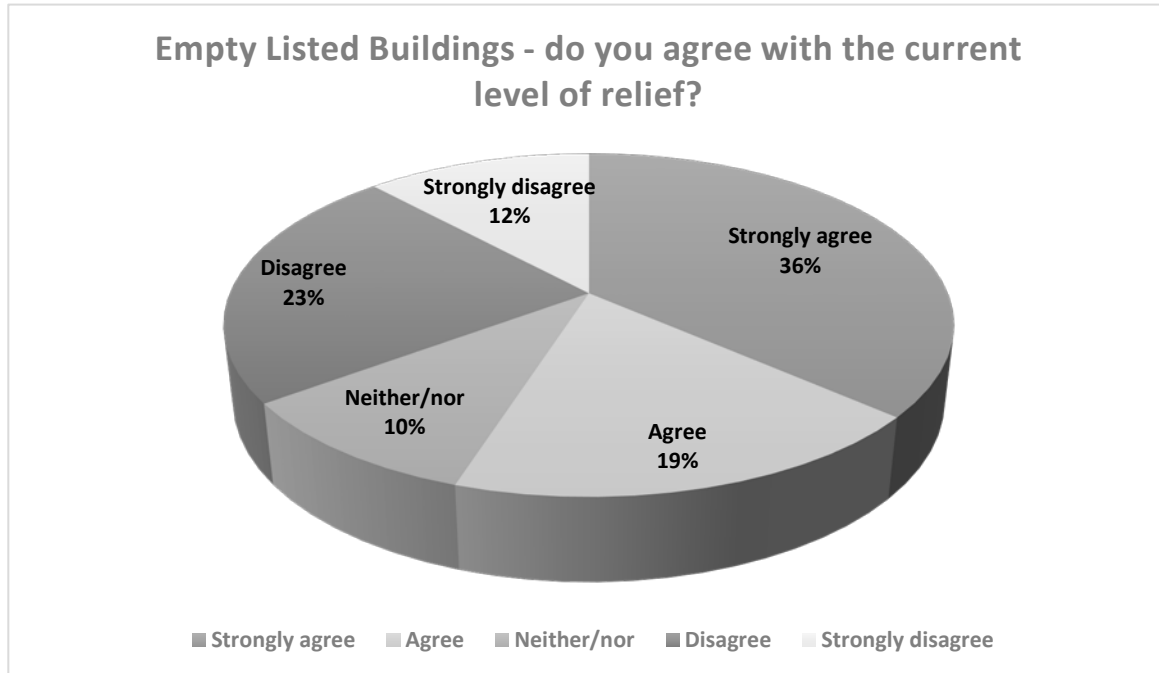


Table 2

2.3 Respondents in support of the current relief provision refer to the importance of retaining the heritage of important structures, the cultural significance and protection of historical features; planning restrictions and higher costs associated with occupying listed buildings making them less attractive to potential businesses was cited. A higher chance of buildings falling into disrepair if relief is withdrawn was also mentioned. Some who support the current relief also indicate that it should be time limited and/ or the level of relief should be less than 100%. Conversely, reasons unsupportive of the current provision included the need for every property owner to pay Rates. Others said that the current level of relief provides no incentive for owners of Listed buildings to maintain them, referring to the level of disrepair of some. A number of respondents said that by removing or reducing relief will not only reduce the cost to the Council but may also encourage owners to find tenants or to sell the properties.

2.5 **Question 3. If you disagree and the Council were to restrict the level of Rates Relief for unoccupied Listed Building, how much Relief should be provided?**

Total No. of Responses – 87

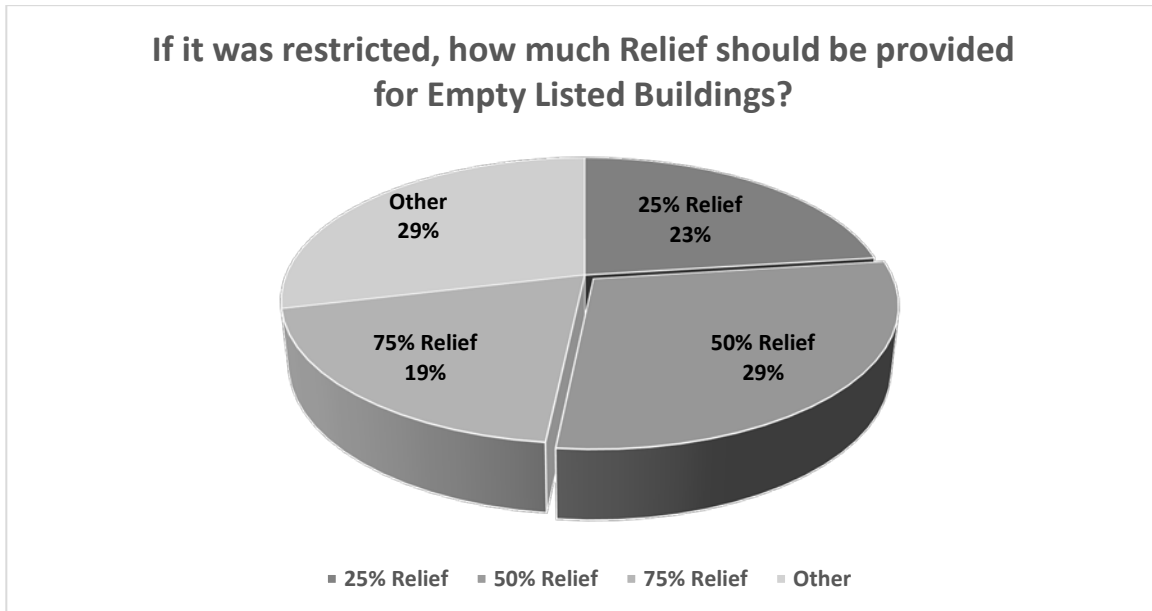


Table 3

2.6 Respondents who disagreed with the current relief provided to unoccupied Listed buildings were asked about restrictions. Firstly, they were asked if the Council were to restrict the level of relief, how much should instead be provided. Options of 25%, 50% 75% relief or “other” were provided however responses in order of the options offered were inconclusive: 23%, 29%, 19% and 29%. (Table 3)

2.7 **Question 4. In the event Relief was not provided indefinitely for unoccupied Listed buildings, what amount of time from the date a property was last occupied would instead be appropriate?**

Total No. of Responses – 88

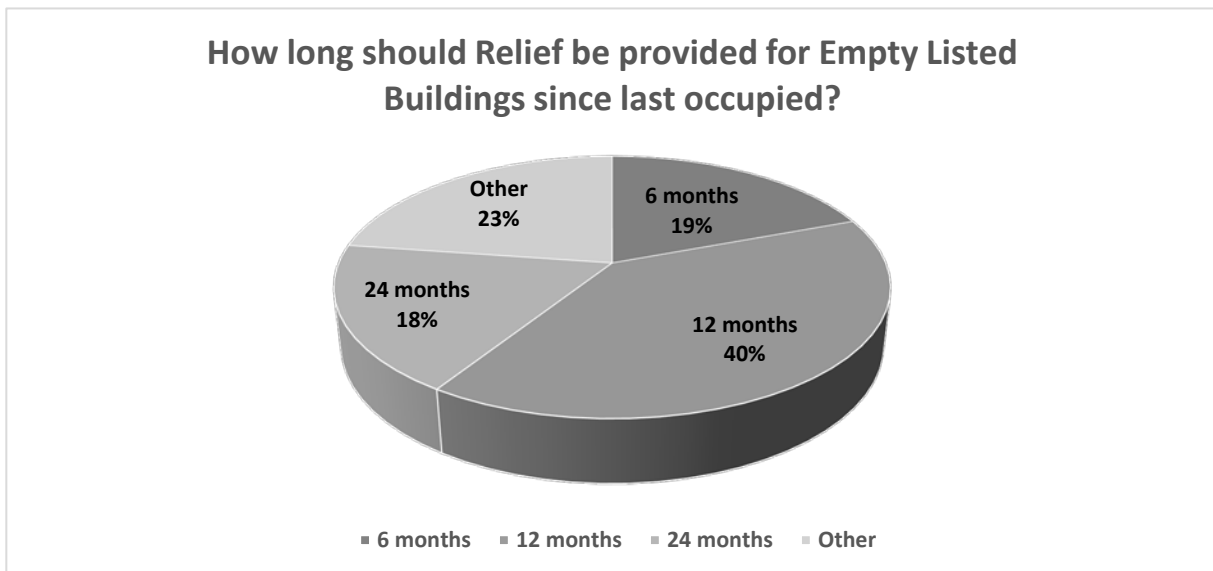


Table 4

There was an indication of agreement about the duration of NDR EPR for unoccupied Listed buildings being limited to no more than 12 months, with 19% supporting 6 months and 40% supporting 12 months. 18% agreed with 24 months and the remaining 23% in favour of another duration. (Table 4)

2.8 **Question 5. Should an identical level of rates Relief for both empty commercial and empty industrial premises apply (50% for three months, followed by 10% until the premises are occupied)?**

Total No. of Responses – 152

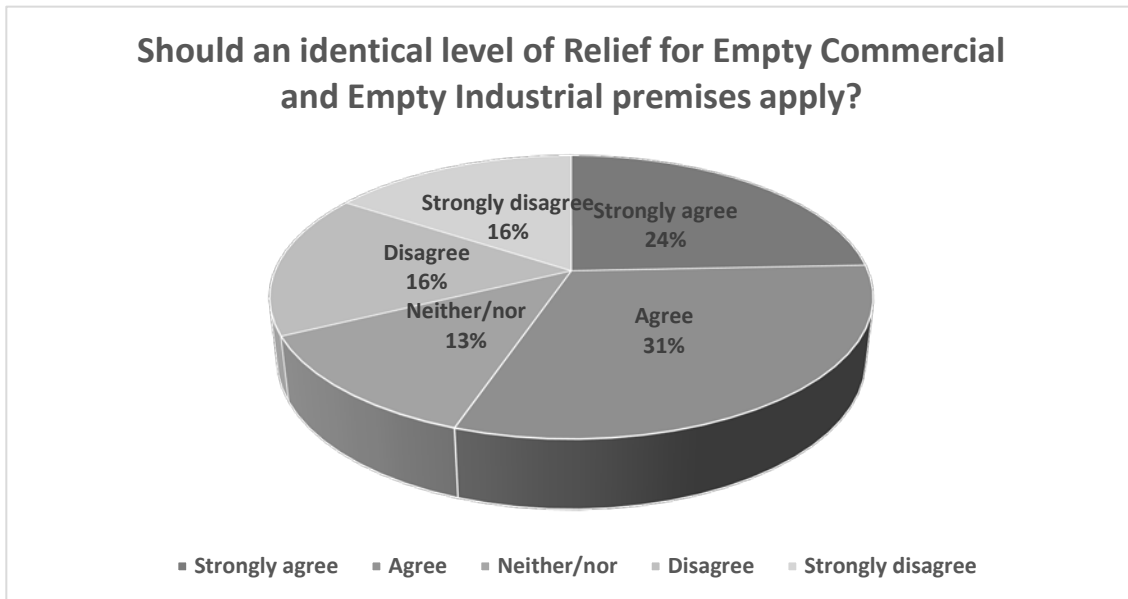


Table 5

2.9 The NDR EPR Policy provides empty industrial premises full Relief (100%) for six months, followed by 10% until the premises are occupied. Relief provided for empty commercial premises, such as shops, offices and salons is at a rate of 50% for three months, followed by 10% thereafter until the premises are occupied. When asked about equalising the provision for empty industrial premises with empty commercial premises, 55% of 152 respondents agreed. (Table 5). The main views supporting the proposal included fairness and incentivising owners to secure tenants or to sell. Comments from the 32% who disagreed, expressed general difficulties in the non-domestic property market, arguing that while markets can change, securing new tenants for shops and offices is more challenging at this time compared with Industrial premises in Inverclyde. The number of commercial premises with EPR in December 2023 was 83 compared with 12 industrial premises.

2.10 **Question 6. Should changes to the NDR Empty Property Relief Policy be introduced from 1st April 2024?**

Total No. of Responses – 143

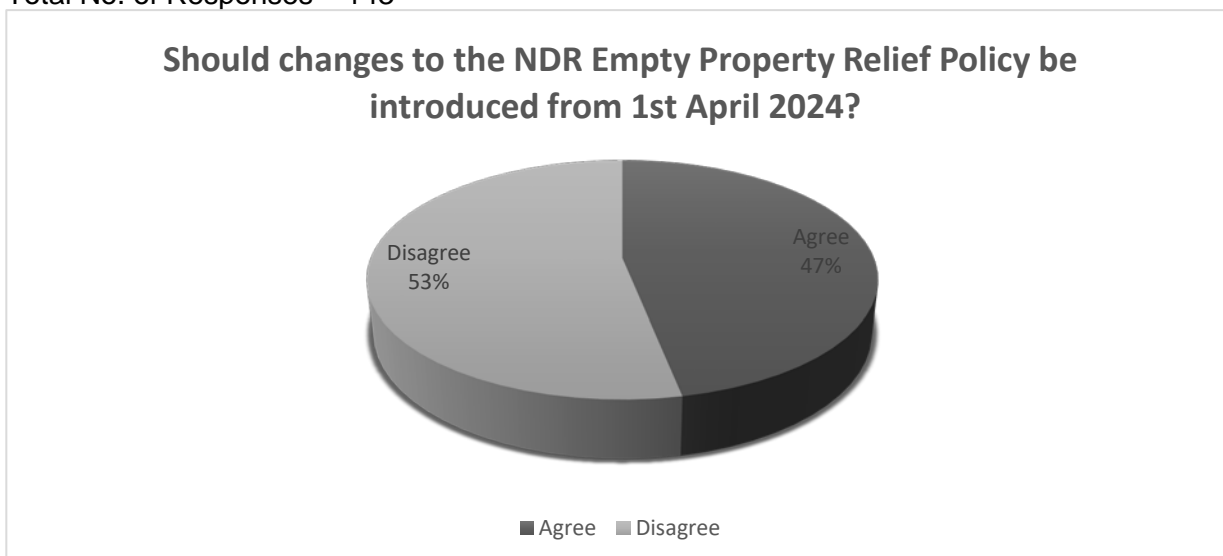


Table 6

2.11 Respondents were asked about the timing of potential changes to the Policy and for their view of these being introduced from 1st April 2024. Just under half (47%) of the 143 who responded indicated they agreed with this timescale. (Table 6).

2.12 **Question 7. If the changes to the policy were to be introduced from a date after 1st April 2024, when should they be applied?**

Total No. of Responses – 95

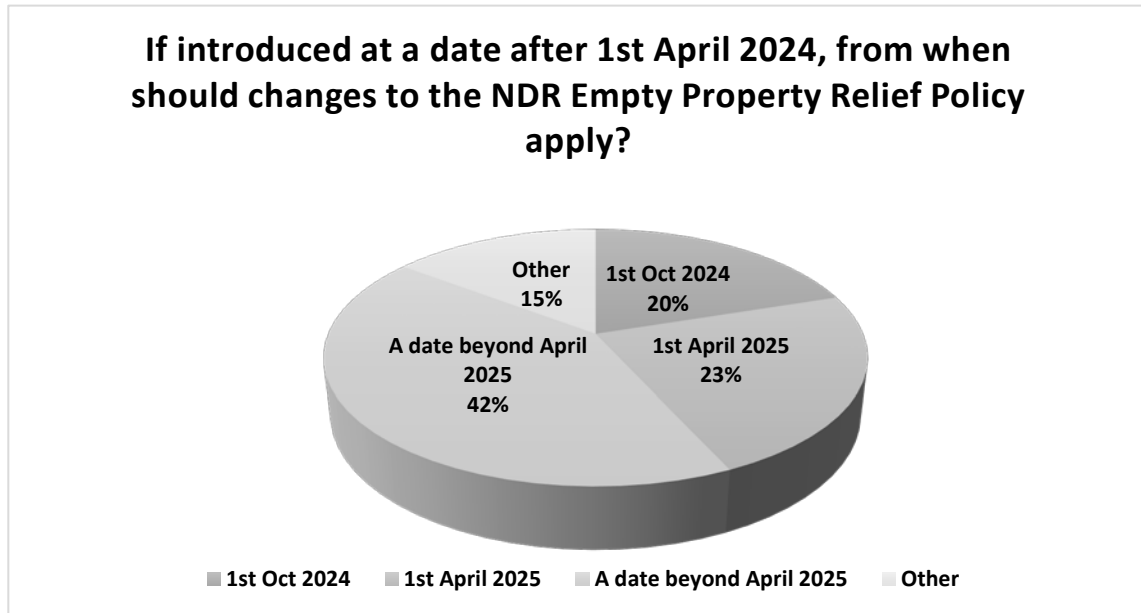


Table 7

2.13 Respondents who had indicated that changes should be introduced from a date later than 1st April 2024 (95 responses) were invited to choose from alternative timescales with 20% agreeing with 1st October 2024, 23% from 1st April 2025, 42% from a date beyond April 2025 and the remainder making various comments ranging from implementing change as soon as practical and allowing sufficient time for businesses to adjust (Table 7).

2.14 **Question 8. Do you agree that financial incentives or support measures would encourage businesses to occupy empty premises in the local area?**

Total No. of Responses – 151

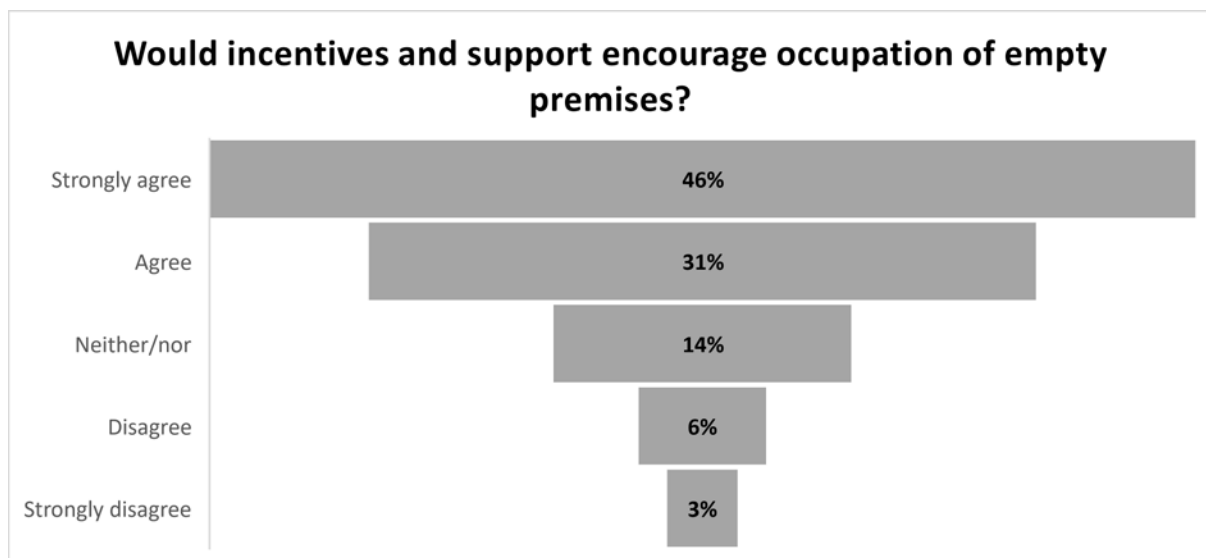


Table 8

- 2.15 The final question asked respondents if they agreed that financial incentives or support measures would encourage businesses to occupy empty premises in the local area. Of the 151 responses to this question, 77% agreed with less than 10% disagreeing and the remainder indicating neither. (Table 8). Many of the comments stated that rent free periods, reduced rent or rate relief periods are good incentives. The purpose of the consultation was on rate relief periods therefore covered in other areas of the report. With regards to rent free or reduced rent, this is within the gift of the landlord and in most cases, this is not the Council. Other comments stated grant support or other business support measures would be a useful incentive to occupy an empty property. Some comments have cited examples in other countries or other parts of Scotland which helpful. In addition, there were also comments which stated that marketing of the area e.g. television adverts and partnership work e.g. Inverclyde Chamber of Commerce, Federation of Small Businesses, would support occupation of empty properties, as well as more information on what properties are available. Comments are also state that better transport links e.g. would make Inverclyde a better place to work meaning that properties would be more attractive.

SUMMARY OF PROPOSED REVISIONS TO NON-DOMESTIC RATES EMPTY PROPERTY RELIEF POLICY – FEBRUARY 2024

PAGE	TITLE	SECTION	PROPOSED CHANGE
2	Document Control Page	N/A	New Document Control Section
3	Table of Contents	N/A	New section 7.0 Minimising Tax Evasion. Minor amendment to page numbers.
4	Background	2.1	Minor amendment of text from future tense to past tense.
4	Background	2.4/ 2.5	Introduces amendments to the policy taking effect from 1 October 2024.
4/5	Empty Property Relief Eligibility and Rates of Relief	3.2.1/3.2.2	Unoccupied industrial property relief from 1 October 2024: 50% relief for the first three months of unoccupation followed by 10% until occupied. Property unoccupied prior to 1 October 2024: 100% relief for the first six months of unoccupation followed by 10% until occupied.
5	Empty Property Relief Eligibility and Rates of Relief	3.2.3	Inclusion of text tapering off the provision of relief over a period of 24 months for unoccupied listed buildings, including transitional arrangements for property unoccupied at 1 October 2024.
5	Empty Property Relief Eligibility and Rates of Relief	3.2.4	Deletion of listed building from the list of unoccupied properties eligible for indefinite 100% relief
5	Empty Property Relief Eligibility and Rates of Relief	3.2.5	Previously section 3.2.4
6	Subsidy Control	4.0	New text clarifying the Council's responsibility for subsidy control.
6	Application Process	5.1/5.7	Minor amendment of text, improving phrasing.
7	Minimising Tax Evasion	7.0/7.2	New section inserting new measures to minimise tax evasion through contrivance.
8	Review Process	8.0	Previously section 7.0. Minor amendment to text.
8	Amendments to Policy	9.0	Previously section 8.0

**Inverclyde Council - Finance
Revenues and Benefits**

Non Domestic Rates

Empty Property Relief Policy

Version 2.0

February 2024

Inverclyde Council - Finance Revenues and Benefits

Document Control

Prepared by:
Approved by:

Tracy Bunton
Policy & Resources Committee

February 2024

Change Control Table

Version	Version Date	Revised By	Reason for Change
1.0	January 2023	T.Bunton	New Policy
2.0	February 2024	T. Bunton	Unoccupied industrial property relief: 50% relief for the first three months of unoccupation followed by 10% until occupied. Policy amendments from 1 October 2024. Unoccupied listed building relief tapered from 100% to 0% over 24 months. Policy amendments from 1 October 2024.
			Minimising tax evasion through contrivance.

Inverclyde Council - Finance Revenues and Benefits

Table of Contents	Page(s)
1.0 Introduction	4
2.0 Background	4
3.0 Empty Property Relief Eligibility and Rates of Relief	4
4.0 Subsidy Control	6
5.0 Application Process	6
6.0 Backdating	7
7.0 Minimising Tax Evasion	7
8.0 Review Process	8
9.0 Amendments to Policy	8

Inverclyde Council - Finance Revenues and Benefits

1.0 Introduction

1.1 This document details Inverclyde Council's policy on non-domestic rates reliefs on empty property.

2.0 Background

2.1 With effect from 1 April 2023 local authorities were required to set their own policy for the rating and reliefs of unoccupied properties. Empty property rating and relief is no longer a mandatory relief of rates as existing regulations do not apply from that date.

2.2 Section 19 of the Non-Domestic Rates (Scotland) Act 2020 repealed Section 24 of the Local Government (Scotland) Act 1966 . The default position with effect from 1st April 2023 is that non-domestic rates are now payable in respect of unoccupied lands and heritages.

2.3 Section 140 of the Community Empowerment (Scotland) Act 2015 added Section 3A to the Local Government (Financial Provisions etc.) (Scotland) Act 1962, permitting local authorities to introduce a scheme to reduce or remit any rate leviable by it.

2.4 Council policy replicates the previous legislative arrangements from 1st April 2023. Amendments to this Non-Domestic Rates Empty Property Relief (NDR EPR) Policy shall take effect from 1st October 2024.

2.5 Amendments to this policy will be subject to review should funding arrangements change or if other local arrangements require to be taken into account.

3.0 Empty Property Relief Eligibility and Rates of Relief

3.1 Councils can provide relief of up to 100% of the rates due.

3.2 Under this policy the Empty Property Reliefs applied by Inverclyde Council are:

3.2.1 Unoccupied property is eligible for 50% relief while so unoccupied for the first three months of such unoccupation reducing to 10% relief thereafter for the period that the property remains empty. Where such a three month period of unoccupancy commenced prior to the coming into force of this policy (the policy date) then relief under this paragraph 3.2.1 will only apply for the balance of that three month period that is on or after the policy date, unless earlier brought to an end by the property ceasing to be unoccupied.

Inverclyde Council - Finance Revenues and Benefits

3.2.2 Unoccupied industrial property is eligible for 100% relief while so unoccupied for] the first six months of such unoccupation where such a period of unoccupancy commenced prior to 1st October 2024, relief under this paragraph 3.2.2 will only apply for the balance of that six month period that is on or after the coming into force of this policy (the policy date) or the policy amendment date, unless earlier brought to an end by the property ceasing to be unoccupied, and 10% relief thereafter, until occupied.

3.2.3 Unoccupied listed building property is eligible for 100% relief while so unoccupied for] the first twelve months of such unoccupation, 50% relief for a further twelve months after which the level of relief reduces to 0%. Where a period of unoccupancy commenced prior to the coming into force of this policy amendment then 100% relief under this paragraph 3.2.3 will apply until 30th September 2025, followed by 50% for a further twelve months after which the level of relief reduces to 0%, unless earlier brought to an end by the property ceasing to be unoccupied.

3.2.4 100% relief is awarded indefinitely for unoccupied properties where the property is empty and:

- subject of a building preservation order; or
- the rateable value is under £1,700; or
- where the person entitled to possession of the property is so entitled by virtue only of being:
 - the Trustee under a Trust Deed for creditors or under an award of Sequestration; or
 - the Executor of a Deceased person; or
 - a liquidator by virtue of an order made under section 112 or section 145 of the 1986 Act;
- kept vacant by reason of action taken by or on behalf of the Crown or any local or public authority with a view to prohibiting the occupation of the lands and heritages or to acquiring them; or
- the owner of the property is prohibited by law from occupying them or allowing them to be occupied; or
- has no buildings (i.e. ground or land that contain no buildings); or
- the owner is a company or limited liability partnership, which on or after 1st April 2008 (i) remains subject to an administration order made under Part II of the 1986 Act, or (ii) is in administration within the meaning of paragraph 1 of schedule B1 of that Act; or the owner is a company or limited liability partnership which is subject to a winding-up order made under the 1986 Act or which is being wound up voluntarily under that Act.

3.2.5 In this policy, and with particular reference to paragraphs 3.2.1 to 3.2.5:

- “1986 Act” means the Insolvency Act 1986;

Inverclyde Council - Finance Revenues and Benefits

- “building preservation order” means a building preservation notice within the meaning of section 3(1) of the Planning (Listed Buildings and Conservation Areas) (Scotland) Act 1997;
- “industrial property” means lands and heritages (other than retail property) comprising one or more buildings which is, or all of which are—
 - (a) constructed or adapted for use in the course of a trade or business; and
 - (b) constructed or adapted for use for one or more of the following purposes, or one or more such purposes and one or more purposes ancillary thereto:—
 - (i) the manufacture, repair or adaptation of goods or materials;
 - (ii) the subjecting of goods or materials to any process;
 - (iii) storage (including the storage or handling of goods in the course of their distribution);
 - (iv) the working or processing of minerals;
 - (v) the generation of electricity;
- “listed building” means lands and heritages included in a list compiled under section 1 of the Planning (Listed Buildings and Conservation Areas) (Scotland) Act 1997;
- “retail property” means any lands and heritages where any building or part of a building comprised in them is constructed or adapted for the purpose of the retail provision of—
 - (a) goods; or
 - (b) services (other than storage for distribution services) on or from the lands and heritages.

4.0 Subsidy Control

4.1 The Council must consider and comply with the Subsidy Control Act 2022 (the “Act”) in relation to the local reliefs and reductions it provides under this policy. Where a recipient or as the case may be prospective recipient (referred to in either case here as the “Applicant”) of empty property rates relief is involved in commercial activity, the Council will have to consider whether an award of relief would result in the level of financial assistance received by that Applicant in the applicable period as set out in Section 36 of the Act exceeding the permitted level of minimal financial assistance (“MFA”) as set out in the Act, and may reduce the amount of relief awarded in terms of this policy if the MFA limit would be exceeded. The Council’s use of application forms to request information from Applicants shall assist the Council in determining the subsidy position.

5.0 Application Process

5.1 Applications for Empty Property Relief are made by completing the relevant application form accompanied by relevant supporting evidence. Application forms are available on the Council’s website: [Reductions on your Rates bill - Inverclyde Council](#).

Inverclyde Council - Finance Revenues and Benefits

5.2 Eligibility for Empty Property Relief shall be determined in accordance with this policy.

5.3 A decision will be made on whether the property is eligible following receipt of an Applicant's application form.

5.4 Any additional information or evidence required will be requested from the owner.

5.5 Visiting officers may also be utilised to follow up on individual properties.

5.6 Officers will carry out checks to verify applications and any decision made is final subject to review.

5.7 Once the application form has been processed the owner will be notified in writing of the decision and their right to request a review of any decision and also of their responsibility to advise of any change in circumstances or of any erroneous assumptions made by the Council.

6.0 Backdating

6.1 An application for relief can be backdated to the start of the financial year in which the application is made provided the organisation satisfied the requirements at that time. Any applications for the previous financial year can be considered provided sufficient evidence is submitted in support of the application. Consideration may also be given where an organisation has been rated retrospectively either through the actions of the Council or the Assessor

7.0 Minimising Tax Evasion

7.1 The Non-Domestic Rates (Miscellaneous Anti-Avoidance Measures) (Scotland) Regulations 2023 introduces new measures to minimise tax evasion through contrivance. Where Non-Domestic Rates Empty Property relief has ceased to be available in respect of any lands and heritages, any subsequent application for relief by the same owner, or a person or body that has entered into a tenancy arrangement with that owner in relation to those lands and heritages, must demonstrate to the local authority that the making of the application is not part of an artificial non-domestic rates avoidance arrangement within the meaning of sections 39 and 40 of the Non-Domestic Rates (Scotland) Act 2020.

7.2 Where the person or body fails to demonstrate the matters described in paragraph 7.1 to the satisfaction of the local authority, no relief shall be awarded.

Inverclyde Council - Finance Revenues and Benefits

8.0 Review Process

8.1 The ratepayer will be notified of the decision in writing. As this is a discretionary power there is no formal appeal process against the Council's decision. However the decision can be reconsidered in light of any additional points the ratepayer wishes to make.

8.2 Applicants who disagree with a decision in relation to the Empty Property Relief policy have a right to request a review. The review will be carried out by the Director of Environment and Regeneration whose decision will be final.

9.0 Amendments to Policy

9.1 The policy will be reviewed at intervals of no more than 3 years.

9.2 Ratepayers will be given at least 3 months notice of any change to the policy affecting their entitlement to rates relief or rates liability.

DRAFT

The Non-Domestic Rates - Empty Property Relief Policy estimated cost of the proposals 2024-25.

Empty industrial property and other (non-industrial) unoccupied property is eligible for 50% relief for the first three months since becoming unoccupied, and 10% awarded thereafter until occupied.

Empty industrial premises with 100% rates relief on 30th September 2024 will continue to receive 100% relief for the balance of the 6-month period since becoming unoccupied before moving to 10% relief.

Empty listed property is eligible for 100% relief for 12 months, followed by 12 months at 50%, then 0% relief when the premises have been unoccupied for a continuous period of 24 months.

Empty listed building with 100% rates relief on 30th September 2024 will continue to receive 100% relief for 12 months, followed by 12 months at 50%, then 0% relief when the premises have been unoccupied for a continuous period of 24 months.

100% relief is awarded indefinitely for unoccupied properties which meet any of the following:

- Empty property where the rateable value is under £1,700
- Empty property which is owned by a trustee for sequestration, liquidation, or executors
- Empty property which cannot be occupied by law
- Empty property which is under a compulsory purchase order
- Empty property which has no buildings (i.e., land)
- Empty property where the owner is in administration (or subject to an administration order)
- Empty property where the owner is a company or partnership being wound up.

Non-Domestic Rates Empty Property Relief 2024-25

Relief Category	Value of Relief	Number of Properties
100% relief for empty industrial (balance of 6 months)	£18,044	12
50% relief for empty Industrial and Other (non-Industrial)	£28,025	93
10% long term empty Industrial and Other (non-Industrial)	£45,734	
Listed Exempt Relief (100%)	£164,072	19
Listed Exempt Relief (50%)	Nil	
RV less than £1700 empty (100%) – includes land/ground empty/exempt	£11,608	58
Insolvency empty (100%)	£4,470	2
Other 100% exempt categories	£2,261	2
Total	£274,214	186

Compares with the budget of £500,00 at section 3.3 of the report.