

WEST DUNBARTONSHIRE COUNCIL**Report by Chief Officer - Resources****West Dunbartonshire Council: 29 March 2023**

Subject: Non Domestic Rates Empty Property Relief Policy**1. Purpose**

1.1 The purpose of this report is to seek approval of the introduction of West Dunbartonshire Council's (the Council) locally agreed Non-Domestic Rates (NDR) Empty Property Relief (EPR).

2. Recommendations

2.1 Members are asked to:

- a) Approve the new West Dunbartonshire Council Empty Property Relief Policy.
- b) Agree that a review of the new Empty Property Relief Policy is carried out by 31 March 2024 and presented to the Corporate Services Committee following consultation with internal and external stakeholders.

3. Background

3.1 NDR is a national rate of non-domestic properties taxation and is determined each year by the Scottish Parliament. All local authorities collect the rates and the monies collected are pooled into a national central fund.

3.2 Current provisions are that EPR is a mandatory relief provided by the following provisions and fully funded through the local government settlement. These are:

- All unoccupied properties (non-industrial) 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

4. Main Issues

- 4.1** The Scottish Government in line with the Barclay Review, have devolved EPR to local authorities from 1 April 2023 to award discretionary local reliefs. The view is that devolved EPR allows councils to set out their own local arrangements to better align the use of the relief in meeting local aims, strategic priorities.
- 4.2** The Council must have an agreed policy to continue to consider and grant EPR from 1 April 2023, failing which it cannot grant EPR relief from 1 April 2023 onwards to any business or business owner.
- 4.3** Reviews of the use and support provided by the Council's EPR scheme cannot yet be meaningfully considered for West Dunbartonshire at the point of introducing the Policy, hence it is not recommended to change the current provisions as set out in paragraph 3.2 at this time.

5. People Implications

- 5.1** There are no people implications.

6. Financial and Procurement Implications

- 6.1** NDR Empty Property Relief provided by the Council will be funded as a share of an agreed allocation from £105m grant funding provided by the Scottish Government for the next three financial years. There is no inflationary increase in devolved monies between these years and no indication at this juncture of considerations at the end of this three year period.
- 6.2** Local Government Revenue Funding will be adjusted to reflect the devolution of EPR. The provision awarded to the Council for the year 2023/24 will be announced by the Scottish Government.
- 6.3** The Council Policy presented continues to administer the EPR scheme with the same levels of relief as the current Scottish Government provisions, using the above funding to reconcile the costs.
- 6.4** Whilst there is flexibility to review the scheme and consider different levels of relief, it is the recommended that such a review is undertaken following the first year of the new EPR Policy being applied, in consultation with Ratepayers, Business Support and Regeneration Services.

- 6.5** It is recommended that a review of the new EPR Policy be carried out prior to 31 March 2024 accompanied by a paper to the Corporate Services Committee with conclusions from the review and recommendations going forward.
- 6.6** For information, West Dunbartonshire Council awarded Empty Property Relief as follows;

Empty Property Relief	No of Accounts	Relief Awarded
2020/2021	98	£482,246.71
2021/2022	169	£302,050.66

There are no Procurement implications.

7. Risk Analysis

- 7.1** The provision for West Dunbartonshire Council Empty Property Relief is provided within the current forecast planning based on the current legislative position. However ongoing forward a review of the continuation of such Empty Property Relief and its categories will be considered via the annual budget planning.
- 7.2** Exceptional economic events may cause unexpected impacts on the number of unoccupied properties or where large properties with high rateable values become unoccupied.
- 7.3** Where such a substantial impact on a Council area had a significant bearing on the settlement agreed councils and COSLA would raise discussion with the Scottish Government.
- 7.4** Revaluation is due on 1 April 2023 this is likely to impact the value of the relief currently allocated to EPR.

8. Equalities Impact Assessment

- 8.1** No significant issues were identified in a screening for potential equality impact of this measure.

9. Consultation

- 9.1** Consultation has taken place with Business Support and there are neither any issues nor concerns with the proposal.

10. Strategic Assessment

- 10.1** NDR collection and the value of relief to be applied forms part of the financial governance of the Council. Sound financial practice and budgetary control are imperative to assist with the governance of the Council and support officers of the Council in achieving the five strategic priorities.

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Date: 31/01/2023

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Appendices: West Dunbartonshire Council Non Domestic Rates
Empty Property Relief Policy

NDR EPR Policy EIA

Background Papers: None

Wards Affected: All Council Wards.