

## **Item: 12**

**Policy and Resources Committee: 21 February 2023.**

**Council Tax – Charging on Empty Properties.**

**Report by Corporate Director for Enterprise and Sustainable Regeneration.**

### **1. Purpose of Report**

To consider an amendment to the policy on the Council Tax charging applied to empty properties.

### **2. Recommendations**

The Committee is invited to note:

#### **2.1.**

That the Council has powers under the Council Tax (Variation for Unoccupied Dwellings) (Scotland) Regulations 2013 to vary or remove the discount available to taxpayers, or to charge an additional premium, where a property they are responsible for is unoccupied.

#### **2.2.**

That, on 11 December 2018, when considering recommendations from the Policy and Resources Committee regarding the level of Council Tax discount or surcharge applied to empty properties the Council resolved:

- That, from 1 October 2019, an additional surcharge of 100% be applied to empty properties that had been unoccupied for a period exceeding 12 months, with delays beyond the 12-month period for certain categories of property.

#### **2.3.**

That, on 12 February 2019 when considering the level of Council Tax discount to be applied to second homes, the Policy and Resources Committee recommended:

- That, from 1 April 2019, a second home discount of 50% should apply where a person's sole or main residence in Orkney was separated from their place of work by a body of water, the transport provision over which did not permit daily commuting between their sole or main residence and their place of work, and they occupied a second home in Orkney to enable them to maintain that employment.
- That, from 1 October 2019, the maximum period that a second home discount of 10% could be awarded should be set at 12 months, following which the discount would end.

## **2.4.**

That a number of properties are at present exempt from Council Tax due to the owner having signed an undertaking with the Council that they would not allow occupation of the property on the basis of its condition being considered unfit for occupation.

## **2.5.**

That the Environmental Health service has reviewed the use of undertakings not to allow occupation, and is no longer permitting undertakings by property owners, having found no legal basis for the historic use of undertakings.

## **2.6.**

That the Finance service will review existing awards of exemption granted on the basis of undertakings to establish in each case whether there is a possible exemption from Council Tax on other grounds, or whether the property should be considered chargeable.

## **2.7.**

That current policy on when a surcharge is applied takes account of how long a property has been unoccupied, rather than looking at whether the owner intends to bring the property back into use.

## **2.8.**

That, on the basis that a significant number of the properties, which are the subject of an undertaking, being reviewed have been empty for a number of years, removing the link to how long a property has been unoccupied will introduce a delay in the application of the surcharge in cases where the owner is taking steps to bring a property back in to use.

**It is recommended:**

## **2.9.**

That the following amendments be made to policy on Council Tax charging applied to empty properties, to take effect from 1 April 2023:

- Removal of the 10% discount for second homes,
- When introducing the additional surcharge on empty properties, removal of the two year time limit since a property was last occupied, in cases where:
  - The owner is finishing renovations prior to moving in, letting or selling, to instead introduce a one year time limit from the date renovations began, with discretion delegated to the Corporate Director for Enterprise and Sustainable Regeneration to extend the time limit by up to a further year where there are delays in the process, for example obtaining planning permission or a building warrant.

- The owner is marketing the property for sale or let, to instead introduce a one-year time limit from the date the property was marketed.
- The owner is working with the Council's Empty Homes and Development Officer to bring the property back into use.

### **3. Introduction**

#### **3.1.**

At the General Meeting held on 11 December 2018, when considering recommendations from the Policy and Resources Committee regarding policy on the level of Council Tax discount or surcharge to be applied to empty properties and second homes, the Council resolved:

- That, from 1 October 2019, an additional surcharge of 100% be applied to empty properties that had been unoccupied for a period exceeding 12 months.

#### **3.2.**

On 12 February 2019 when considering the level of Council Tax discount to be applied to second homes, the Policy and Resources Committee recommended:

- That, from 1 April 2019, a second home discount of 50% should apply where a person's sole or main residence in Orkney was separated from their place of work by a body of water, the transport provision over which did not permit daily commuting between their sole or main residence and their place of work, and they occupied a second home in Orkney to enable them to maintain that employment.
- That, from 1 October 2019, the maximum period that a second home discount of 10% could be awarded should be set at 12 months, following which the discount would end.

#### **3.3.**

The information leaflet 'Council Tax charges on empty properties and second homes' produced for members of the public, which outlines the council's current policy and exceptions to the additional charge, is attached as Annex 1 to this report.

### **4. Background**

#### **4.1.**

Section 79 of the Local Government Finance Act 1992 provides that unoccupied properties are entitled to a discount of 50%. This remains the default position, but subsequent secondary legislation allows the level of discount to be reduced or removed at the discretion of the Council.

## **4.2.**

From 1 April 2005, the Council Tax (Discount for Unoccupied Dwellings) (Scotland) Regulations 2005 gave local authorities the discretion to vary the level of discount on second homes and empty properties to between 50% and 10%, with the additional revenues raised being ring-fenced for affordable housing. Current Orkney Islands Council policy reduces the level of discount to 10%.

## **4.3.**

From 1 April 2013, the Council Tax (Variation for Unoccupied Dwellings) (Scotland) Regulations 2013 gives local authorities the discretion to vary the level of discount on empty properties from 50% to 10% and, once an empty property has been unoccupied for a continuous period exceeding 12 months, to reduce the discount from 10% to 0% and to make an additional surcharge of up to 100%.

### **4.3.1.**

Additional revenue raised from removing the 10% discount or making an additional surcharge of up to 100% can be used as the Council sees fit on housing or other priorities.

## **5. Empty properties – Application of Discount or Surcharge**

### **5.1.**

For Council Tax purposes the legislative definition of an empty property is “a property that is no one’s sole or main residence and is not a second home”. A long-term empty property is a property which has been empty for more than 12 months. There are currently around 220 properties in Orkney that fall within that definition.

### **5.2.**

Empty properties that are being genuinely marketed for sale or let at a realistic market price may be exempt from any additional surcharge, as may properties where the owner is carrying out renovations with the intention of bringing the property back into use. In both cases the current policy limits exemption from the surcharge to a period of up to two years since the property was last occupied.

### **5.3.**

Where an owner is working with the Council’s Empty Homes and Development Officer to bring a property back into use, a property may be exempted from the additional surcharge for up to two years since the property was last occupied.

### **5.4.**

Approximately 280 properties which were previously exempt from the Council Tax entirely, on the basis that the owner had signed an undertaking not to allow occupation, will have the exemption reviewed during the 2023/34 financial year and it is likely that a significant proportion of that number will see the exemption from the tax removed.

## **5.5.**

Due to the length of time many of these properties with exemption have been empty, it is not possible to allow a delay to the introduction of the surcharge under the existing policy, and for this reason a further amendment to the policy is now sought. The proposed amendments would allow time to owners who intend to take steps to bring properties back into use, before the additional surcharge is applied.

## **5.6.**

A draft leaflet for members of the public, based on the proposed amendment to the policy, is attached to this report as Annex 2.

## **6. Equalities Impact**

An Equality Impact Assessment was undertaken and presented to the committee with the initial policy report on 11 December 2018. An updated Equality Impact Assessment in relation to the proposed change is attached as Annex 3 to this report.

## **7. Corporate Governance**

This report relates to the Council complying with its financial processes and therefore does not directly support and contribute to improved outcomes for communities as outlined in the Council Plan and the Local Outcomes Improvement Plan.

## **8. Financial Implications**

In financial year 2022/23 it is anticipated that allowing further delays to the introduction of the empty property surcharge might result in a reduction in revenue of approximately £75,000, but that removal of exemption from a number of properties will increase the tax base and bring around 220 additional properties into scope for the levy of the Council Tax. It is likely that the recovery rate for Council Tax collection will fall slightly as a result of this policy change.

## **9. Legal Aspects**

The legal aspects are contained within the body of the report.

## **10. Contact Officers**

Gareth Waterson, Corporate Director for Enterprise and Sustainable Regeneration, extension 2103, Email [gareth.waterson@orkney.gov.uk](mailto:gareth.waterson@orkney.gov.uk).

Erik Knight, Head of Finance, extension 2127, Email [erik.knight@orkney.gov.uk](mailto:erik.knight@orkney.gov.uk).

William Moore, Service Manager (Improvement and Performance), extension 2104, Email [william.moore@orkney.gov.uk](mailto:william.moore@orkney.gov.uk).

## **11. Annexes**

Annex 1: Published leaflet – Council Tax charges on empty properties and second homes.

Annex 2: Leaflet – Council Tax charges on empty properties and second homes, incorporating amendments to policy.

Annex 3: Equality Impact Assessment.

# Council Tax charges on empty properties and second homes



## 1. Introduction

This leaflet sets out the Council's policy on the level of Council Tax charges applied to empty properties and second homes.

## 2. What is an empty property?

For Council Tax purposes the definition of an empty property is "a property that is no one's sole or main residence and is not a second home". This includes both furnished or unfurnished properties.

### 2.1. Can I get a discount on an empty property?

You can apply for a Council Tax discount of 10%, which will last for up to 12 months from the date the property was last occupied. The discount will not apply to any water or waste water charges. If your property is a new build property, and has never been occupied, you can still apply for a discount of 10%.

### 2.2 Surcharge of 100% after 12 months since last occupation

From 1 October 2019, once a period of 12 months has passed since the property was last occupied, a Council Tax surcharge of 100% will become payable. For example, if the full Council Tax on the property is £1,000 per annum you will be liable to pay £2,000 per annum. The surcharge will not apply to any water or waste water.

#### 2.2.1 Why is a surcharge of 100% being applied after 12 months?

The Scottish Government has given local authorities the power to apply a surcharge to encourage owners to bring empty properties back into use and to increase the supply of housing.

#### 2.2.2 Instances where the 100% surcharge will be delayed

There are instances where the surcharge will be delayed and the standard empty property discount of 10% will remain in place, for a limited period, as follows:

- An empty property that is being genuinely marketed for sale or let at a realistic market price will be exempt from any additional surcharge of up to 100% until the property has been unoccupied for two years or more. This will also apply to a new build property that has never been occupied.
- There is also a list of additional discretionary circumstances where the surcharge may be delayed. Please refer to Appendix 1 of this document for more details.

### 2.3 Can I get exemption on an empty property?

Some empty properties may qualify for an exemption and do not have to pay Council Tax for a period of time. A summary of such exemptions is shown at Appendix 2 to this document and more details, including how to apply, can be found on the

Council's website at <http://www.orkney.gov.uk/Service-Directory/C/Council-Tax---Exemptions.htm>

## **2.4 Getting advice to bring an empty property back into use**

Advice on all aspects of getting an empty home back into use can be found on the Council's website at <http://www.orkney.gov.uk/Service-Directory/H/empty-homes.htm>. A great starting point is the Orkney Empty Homes Advice Pack. If you want any further information or advice regarding empty homes, please contact the Development and Empty Homes Officer, on 01856873535 extension 2193, or by e-mail [rachael.batty@orkney.gov.uk](mailto:rachael.batty@orkney.gov.uk)

## **3. What is a second home?**

For Council Tax purposes the definition of a second home is a property that is "no ones' sole or main residence but is furnished and evidence is produced to establish that it is lived in for at least 25 days during any 12 month period".

### **3.1. Can I get a discount on a second home?**

You can apply for a Council Tax discount of 10% which, from 1 October 2019, will last for up to 12 months from the date the property was last occupied as someone's sole or main residence (the discount will not apply to any water or waste water charges). The onus is on property owners to prove that the property is a genuine second home and is lived in for at least 25 days in any 12 month period.

### **3.2. Are second homes subject to a surcharge of 100%?**

As long as a property is considered to be a second home, as noted in the preceding paragraph, no additional surcharge of 100% will apply. However, if the property is not lived for at least 25 days in any 12 month period, the property will instead be treated as an empty property and the surcharge of 100% will apply.

## **4. Can the discount be more than 10%**

There are a small number of empty properties and second homes that are entitled to receive a discount of 50% and will not be subject to a surcharge of 100%. From 1 April 2019, this includes a second home where a person's sole or main residence in Orkney is separated from their place of work by a body of water, the transport provision over which does not permit daily commuting between their sole or main residence and their place of work, and they occupy a second home in Orkney to enable them to maintain that employment. More information, and details of how to apply, can be found on the Council's website at <http://www.orkney.gov.uk/Service-Directory/C/Council-Tax---Reduction.htm>

## **5. Finding out more**

- Contact the Council Tax Section, Orkney Islands Council, Council Offices, Kirkwall, Orkney, KW15 1NY.
- Telephone: 01856873535 Extension 2133
- Email: [revenues@orkney.gov.uk](mailto:revenues@orkney.gov.uk)

Document date – September 2022



## **Appendix 1 – Council discretion to delay 100% surcharge on an empty property**

From 1 October 2019 the Council has the discretion to not charge the Council Tax increase of up to 100% where the property has been empty for more than 1 year. The Council's policy may apply in the following circumstances and is time limited.

- Where the owner is finishing renovations prior to moving in/selling/letting and can demonstrate that these works are progressing – discount of 10% to remain in place for period not exceeding two years since the property was last occupied.
- A long-term second home where the owner is unable to meet the 25 day occupancy criteria in the previous 12 months due to personal circumstances, but where a history of 25 day occupancy can be shown in previous years.
- An empty property that has been unoccupied for more than 1 year and has been purchased or inherited by a new owner and requires major repair work (this does not apply to routine decoration) to bring the property back into use – delay of up to 1 year before applying surcharge of up to 100%, but also allow extension of a further year if there have been delays in the process, for example in obtaining Planning Permission or Building Warrants.
- An empty property, the estate of which remains in the name of an Executor, but the Council Tax exemption period has ended - allow 10% discount for up to 1 year before applying surcharge of up to 100%.
- An empty property which was previously the sole or main residence of a person who died in a hospital, care home, nursing home or other care setting. The introduction of the additional surcharge may be delayed by up to one year from the date of death.
- Having due regard to Orkney's isles communities and the demand for housing, empty properties situated in the North and South Isles (excluding Burray and South Ronaldsay), that are being genuinely marketed for sale or let at a realistic market price may be exempt from any surcharge of up to 100% in the amount payable until they have been unoccupied for three years, rather than the standard two years.
- Any other circumstances where the owner has agreed with the Council's Empty Homes Development Officer to take positive steps to re-occupy their property and it is in the view of the Empty Homes Development Officer that a time-limited council tax increase "holiday" would encourage the property to be brought back into use sooner – discount of 10% to remain in place for period not exceeding two years since the property was last occupied.
- To allow, in exceptional circumstances, discretion by the Head of Finance to delay application of up to 100% surcharge by up to 12 months, or up to 36 months where the exceptional circumstances are a result of the Coronavirus pandemic.

## **Appendix 2 – Council Tax Exemptions**

There are some categories of empty properties that may qualify for an exemption and do not have to pay Council Tax, which in some instances may be time limited. A

summary of such exemptions is noted below and more details, including how to apply, can be found on the Council's website.

- A new dwelling which is unoccupied and unfurnished - exemption will apply for no more than 6 months from the date of entry in the Valuation List.
- An unoccupied dwelling which is undergoing major repair - exemption will apply for no more than 12 months after the last day of occupation.
- An unoccupied dwelling last occupied by a charitable body - exemption will apply for no more than 6 months from date of last occupation.
- An unoccupied and unfurnished dwelling - exemption will apply for no more than 6 months from the date the dwelling was last occupied.
- An unoccupied dwelling, which was last occupied by a person who is now in prison - exemption is not time limited.
- An unoccupied dwelling, which was previously the sole or main residence of a person who is now living elsewhere to receive personal care – not time limited.
- An unoccupied dwelling, which was previously the sole or main residence of a person who is now living elsewhere to provide personal care for someone – exemption is not time limited.
- Deceased owners - applies to an unoccupied dwelling in respect of which the liability to pay council tax would fall to be met solely out of the estate of a deceased person. Exemption will apply for no more than 6 months from the date of the grant of confirmation.
- An unoccupied dwelling, the occupation of which is prohibited by law – exemption is not time limited.
- An unoccupied dwelling awaiting occupation by a minister – exemption is not time limited.
- An unoccupied dwelling, which within the last four months was last occupied by a full-time student(s) – exemption limited to four months.
- An unoccupied dwelling which is owned or tenanted by a full-time student(s) who now has their sole or main residence elsewhere – exemption time limited to period of student status.
- A repossessed unoccupied dwelling – exemption not time limited.
- An unoccupied and unfurnished agricultural dwelling, situated on agricultural land, and which when last occupied was used in connection with agricultural or pastoral purposes - exemption is not time limited.
- A dwelling held by a Housing Association as a 'trial flat' for the disabled or pensioners – exemption is not time limited.
- An unoccupied dwelling which is difficult to let due to the proximity of your own sole or main residence – exemption is not time limited.
- Unoccupied dwelling of person made bankrupt and where property is vested with the permanent trustee – exemption is not time limited.

# Council Tax charges on empty properties and second homes



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From 1 October 2019, once a period of 12 months has passed since the property was last occupied, a Council Tax surcharge of 100% will become payable. For example, if the full Council Tax on the property is £1,000 per annum you will be liable to pay £2,000 per annum. The surcharge will not apply to any water or waste water.

#### 2.2.1 Why is a surcharge of 100% being applied after 12 months?

The Scottish Government has given local authorities the power to apply a surcharge to encourage owners to bring empty properties back into use and to increase the supply of housing.

#### 2.2.2 Instances where the 100% surcharge will be delayed

There are instances where the surcharge will be delayed and the standard empty property discount of 10% will remain in place, for a limited period, as follows:

- An empty property that is being genuinely marketed for sale or let at a realistic market price will be exempt from any additional surcharge of up to 100% until the property has been on the market for one year. This will also apply to a new build property that has never been occupied.
- There is also a list of additional discretionary circumstances where the surcharge may be delayed. Please refer to Appendix 1 of this document for more details.

### 2.3 Can I get exemption on an empty property?

Some empty properties may qualify for an exemption and do not have to pay Council Tax for a period of time. A summary of such exemptions is shown at Appendix 2 to this document and more details, including how to apply, can be found on the

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### **3.1. Can I get a discount on a second home?**

There are a small number of second homes that are entitled to receive a discount of 50%. From 1 April 2019, this includes a second home where a person's sole or main residence in Orkney is separated from their place of work by a body of water, the transport provision over which does not permit daily commuting between their sole or main residence and their place of work, and they occupy a second home in Orkney to enable them to maintain that employment. More information, and details of how to apply, can be found on the Council's website at <http://www.orkney.gov.uk/Service-Directory/C/Council-Tax---Reduction.htm>

From 1 April 2023, there are no other discounts available for second homes. The onus is on property owners to prove that the property is a genuine second home and is lived in for at least 25 days in any 12 month period.

### **3.2. Are second homes subject to a surcharge of 100%?**

As long as a property is considered to be a second home, as noted in the preceding paragraph, no additional surcharge of 100% will apply. However, if the property is not lived for at least 25 days in any 12 month period, the property will instead be treated as an empty property and the surcharge of 100% will apply.

## **4. Finding out more**

- Contact the Council Tax Section, Orkney Islands Council, Council Offices, Kirkwall, Orkney, KW15 1NY.
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Document date – February 2023

## **Appendix 1 – Council discretion to delay 100% surcharge on an empty property**

From 1 October 2019 the Council has the discretion to not charge the Council Tax increase of up to 100% where the property has been empty for more than 1 year. The Council's policy may apply in the following circumstances and is time limited.

- Where the owner is finishing renovations prior to moving in/selling/letting and can demonstrate that these works are progressing – discount of 10% to remain in place for period not exceeding one year from the date renovations began, although the time limit can be extended by up to one year when there are delays in the process, for example obtaining Planning Permission or Building Warrants.
- A long-term second home where the owner is unable to meet the 25 day occupancy criteria in the previous 12 months due to personal circumstances, but where a history of 25 day occupancy can be shown in previous years.
- An empty property that has been unoccupied for more than 1 year and has been purchased or inherited by a new owner and requires major repair work (this does not apply to routine decoration) to bring the property back into use – delay of up to 1 year before applying surcharge of up to 100%, but also allow extension of a further year if there have been delays in the process, for example in obtaining Planning Permission or Building Warrants.
- An empty property, the estate of which remains in the name of an Executor, but the Council Tax exemption period has ended - allow 10% discount for up to 1 year before applying surcharge of up to 100%.
- An empty property which was previously the sole or main residence of a person who died in a hospital, care home, nursing home or other care setting. The introduction of the additional surcharge may be delayed by up to one year from the date of death.
- Having due regard to Orkney's isles communities and the demand for housing, empty properties situated in the North and South Isles (excluding Burray and South Ronaldsay), that are being genuinely marketed for sale or let at a realistic market price may be exempt from any surcharge of up to 100% in the amount payable until they have been unoccupied for three years, rather than the standard two years.
- Any other circumstances where the owner has agreed with the Council's Empty Homes Development Officer to take positive steps to re-occupy their property and it is in the view of the Empty Homes Development Officer that a time-limited council tax increase "holiday" would encourage the property to be brought back into use sooner – discount of 10% to remain in place for period not exceeding two years since.
- To allow, in exceptional circumstances, discretion by the Head of Finance to delay application of up to 100% surcharge by up to 12 months, or up to 36 months where the exceptional circumstances are a result of the Coronavirus pandemic.

## Appendix 2 – Council Tax Exemptions

There are some categories of empty properties that may qualify for an exemption and do not have to pay Council Tax, which in some instances may be time limited. A summary of such exemptions is noted below and more details, including how to apply, can be found on the Council's website.

- A new dwelling which is unoccupied and unfurnished - exemption will apply for no more than 6 months from the date of entry in the Valuation List.
- An unoccupied dwelling which is undergoing major repair - exemption will apply for no more than 12 months after the last day of occupation.
- An unoccupied dwelling last occupied by a charitable body - exemption will apply for no more than 6 months from date of last occupation.
- An unoccupied and unfurnished dwelling - exemption will apply for no more than 6 months from the date the dwelling was last occupied.
- An unoccupied dwelling, which was last occupied by a person who is now in prison - exemption is not time limited.
- An unoccupied dwelling, which was previously the sole or main residence of a person who is now living elsewhere to receive personal care – not time limited.
- An unoccupied dwelling, which was previously the sole or main residence of a person who is now living elsewhere to provide personal care for someone – exemption is not time limited.
- Deceased owners - applies to an unoccupied dwelling in respect of which the liability to pay council tax would fall to be met solely out of the estate of a deceased person. Exemption will apply for no more than 6 months from the date of the grant of confirmation.
- An unoccupied dwelling, the occupation of which is prohibited by law – exemption is not time limited.
- An unoccupied dwelling awaiting occupation by a minister – exemption is not time limited.
- An unoccupied dwelling, which within the last four months was last occupied by a full-time student(s) – exemption limited to four months.
- An unoccupied dwelling which is owned or tenanted by a full-time student(s) who now has their sole or main residence elsewhere – exemption time limited to period of student status.
- A repossessed unoccupied dwelling – exemption not time limited.
- An unoccupied and unfurnished agricultural dwelling, situated on agricultural land, and which when last occupied was used in connection with agricultural or pastoral purposes - exemption is not time limited.
- A dwelling held by a Housing Association as a 'trial flat' for the disabled or pensioners – exemption is not time limited
- An unoccupied dwelling which is difficult to let due to the proximity of your own sole or main residence – exemption is not time limited.

- Unoccupied dwelling of person made bankrupt and where property is vested with the permanent trustee – exemption is not time limited.



## Equality Impact Assessment

The purpose of an Equality Impact Assessment (EqIA) is to improve the work of Orkney Islands Council by making sure it promotes equality and does not discriminate. This assessment records the likely impact of any changes to a function, policy or plan by anticipating the consequences, and making sure that any negative impacts are eliminated or minimised and positive impacts are maximised.

<b>1. Identification of Function, Policy or Plan</b>	
Name of function / policy / plan to be assessed.	Council Tax – charging on empty properties and second homes.
Service / service area responsible.	Enterprise and Sustainable Regeneration – Finance.
Name of person carrying out the assessment and contact details.	William Moore, Service Manager Revenues & Benefits Telephone: 01856 873535 Extension 2104. Email: <a href="mailto:william.moore@orkney.gov.uk">william.moore@orkney.gov.uk</a>
Date of assessment.	31 January 2023
Is the function / policy / plan new or existing? (Please indicate also if the service is to be deleted, reduced or changed significantly).	The existing policy on Council Tax charges for empty properties and second homes is being reviewed.

<b>2. Initial Screening</b>	
What are the intended outcomes of the function / policy / plan?	Remove the link to how long a property has been empty when applying the additional empty property surcharge, instead linking to owner's intention to bring the property back into use.  Remove the 10% discount for second homes, with continued 50% discount in cases where commuting between main and second home over a body of water.
Is the function / policy / plan strategically important?	The policy will contribute towards the Council's Empty Homes Strategy and the additional



	<p>revenues raised will impact on the Council's annual budget setting process.</p>
<p>State who is, or may be affected by this function / policy / plan, and how.</p>	<p>Owner(s) of empty properties or second homes within Orkney.</p> <p>This could include those who intend to live in, rent or sell the property.</p> <p>There may also be an effect on those seeking privately rented accommodation in Orkney, if property owners were to delay making empty properties available for let.</p>
<p>How have stakeholders been involved in the development of this function / policy / plan?</p>	<p>The revised policy has been developed in accordance with legislative powers brought in by the Scottish Government to permit Councils to increase Council Tax charges on second homes and empty properties, with the aim of bringing such properties back into use.</p> <p>The revised policy has also been developed to assist the aims of the Council's Empty Homes Strategy to bring empty properties back in to use.</p>
<p>Is there any existing data and / or research relating to equalities issues in this policy area? Please summarise. E.g. consultations, national surveys, performance data, complaints, service user feedback, academic / consultants' reports, benchmarking (see equalities resources on OIC information portal).</p>	<p>No known specific equalities research in this area. There have been surveys to, and feedback from, property owners but this has been in the context of bringing properties back into use. The specific issue of increasing Council Tax charges to assist the aim of bringing empty properties back into is generally one which is applied equally across all sectors and property types.</p>
<p>Is there any existing evidence relating to socio-economic disadvantage and inequalities of outcome in this policy area? Please summarise. E.g. For people living in poverty or for people of low income. See <a href="#">The Fairer Scotland Duty Interim Guidance for Public Bodies</a> for further information.</p>	<p>There is no known evidence relating to socio-economic disadvantage and inequalities of outcome in this policy area.</p> <p>Any increased Council Tax charges applies only to empty properties and does not impact on the property in which a Council Tax payer occupies as their main residence.</p> <p>Property owners who are disadvantaged by the current policy would benefit but the effect would be marginal given the small numbers, and there is no evidence of socio-economic disadvantage within this group at present.</p>

Could the function / policy have a differential impact on any of the following equality areas?	(Please provide any evidence – positive impacts / benefits, negative impacts and reasons).
1. Race: this includes ethnic or national groups, colour and nationality.	No differential impact.
2. Sex: a man or a woman.	No differential impact.
3. Sexual Orientation: whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes.	No differential impact.
4. Gender Reassignment: the process of transitioning from one gender to another.	No differential impact.
5. Pregnancy and maternity.	No differential impact.
6. Age: people of different ages.	No differential impact.
7. Religion or beliefs or none (atheists).	No differential impact.
8. Caring responsibilities.	No differential impact.
9. Care experienced.	No differential impact.
10. Marriage and Civil Partnerships.	No differential impact.
11. Disability: people with disabilities (whether registered or not).	No differential impact.
12. Socio-economic disadvantage.	No differential impact.

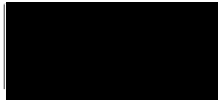
### 3. Impact Assessment

Does the analysis above identify any differential impacts which need to be addressed?	None.
How could you minimise or remove any potential negative impacts?	Not Applicable.
Do you have enough information to make a judgement? If no, what information do you require?	Yes.

## 4. Conclusions and Planned Action

Is further work required?	Yes.
What action is to be taken?	Updating of policy documents on the OIC website, consideration of further delay requests, issue of written notices to property owners.
Who will undertake it?	Revenues team.
When will it be done?	Updating of website immediately where amendment to policy agreed. Other actions demand-led.
How will it be monitored? (e.g. through service plans).	Revenues Manager to include statistics on the number of discretionary delays to the introduction of the surcharge, and the financial cost.  Formal review of the change is not planned as the policy itself will be reviewed and this particular policy aspect will be considered as part of wider review.

Signature:



Name: WILLIAM MOORE

Date: 31 January 2023

(BLOCK CAPITALS).

Please sign and date this form, keep one copy and send a copy to HR and Performance. A Word version should also be emailed to HR and Performance at [hrsupport@orkney.gov.uk](mailto:hrsupport@orkney.gov.uk)