

Item 15ii - Question Time

To the Chair of the Corporate Resources Committee

“What reassurance can the Council provide that it is applying discretion where appropriate to the imposition of the 200% Council Tax rate applicable to empty homes? i.e. what proportion of empty homes in Highland currently benefit from a discretionary reduction in the 200% rate and for what reasons has discretion generally been applied”.

Response to Mr B Thompson

The Council Tax (Variation for Unoccupied Dwellings) (Scotland) Regulations 2013 provides local authorities with the power to apply a maximum 100% levy (i.e. a 200% council tax charge) on long-term empty homes; to determine the circumstances in which the increase applies; and to use levy income for local priorities. For council tax purposes, properties that have been unoccupied for 1 year or more fall within the long-term empty definition. Safeguards mean that the charge may be delayed in certain circumstances. For example, homes being marketed for sale or let are exempt from the council tax levy until they have been unoccupied for 2 years or more.

The policy intent of the legislation is to encourage owners to bring their properties back into use in order to increase housing supply and to avoid unoccupied houses from falling into disrepair.

The Council’s local policy was implemented from 1 April 2015 and provides for an element of discretion, in certain circumstances. There are currently 1,486 long term properties across Highland of which, 64% (955) are subject to the 100% levy (i.e. 200% charge).

Properties that fall within the remaining 36% satisfy the discretionary elements of the local policy. Accordingly, these properties do not currently attract the 100% levy. By way of example, this includes properties where renovation works are nearing completion and those properties that are difficult to sell/let.