
Report to: Clackmannanshire Council

Date of Meeting: 19 March 2026

Subject: Non-Domestic Rates – Empty Property Relief

Report by: Chief Finance Officer

1.0 Purpose

- 1.1. The purpose of this report is to provide information to allow Council to review and agree the revised Non-Domestic Rates Empty Property Relief Policy.
- 1.2. The proposed change is to introduce a new provision granting 100% relief where a property is legally prohibited from being occupied. This relief has no time limit.

2.0 Recommendations

- 2.1. Council is asked to approve the revised Non-Domestic Rates Empty Property Relief Policy (paragraph 3.4 and Appendix 1) effective from 1 April 2026.

3.0 Background

- 3.1. Non-Domestic Rates (NDR) are a tax on business, commercial, industrial and other miscellaneous property types. All properties are given a rateable value by the Scottish Assessors; this value is then used along with the nationally set Non-Domestic Rate poundage to determine the charges of each property. Some of these properties are exempt from charges or pay reduced amounts if they qualify for reliefs set out in legislation.
- 3.2. The amount of NDR actually collected in-year often differs from the original forecast provided by local authorities to the Scottish Government; sometimes it's more, sometimes it's less. To protect local authorities from these differences, the Scottish Government guarantees the amount of NDR income local authorities will receive. The Scottish Government pays any shortfall, and keeps any extra collected, and then adjusts the following year's guaranteed amounts accordingly. This process is often referred to as the "NDR pooling arrangement".
- 3.3. The Scottish Government devolved NDR Empty Property Relief to local authorities from 1st April 2023. The view was that this allows Councils to set their own local arrangements to best align the use of the relief. The current policy was approved in March 2025 with an agreement to review the contents annually.

3.4. During the year it was identified that another category of relief would be appropriate under the following circumstances:

- The property is unoccupied and is legally prohibited from being occupied due to a statutory order or other binding legal restriction.

In this circumstance, a relief of 100% with no time limit would be granted.

3.5. It is proposed that this revised policy with the additional category for relief would be effective from 1 April 2025. This policy will continue to be reviewed on an annual basis.

4.0 Sustainability Implications

4.1. None.

5.0 Resource Implications

5.1. Financial Details

5.2. The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. Yes

5.3. Finance have been consulted and have agreed the financial implications as set out in the report. Yes

5.4. Staffing

6.0 Exempt Reports

6.1. Is this report exempt? Yes (please detail the reasons for exemption below) No

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) Our Priorities

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all

Our families; children and young people will have the best possible start in life

Women and girls will be confident and aspirational, and achieve their full potential

Our communities will be resilient and empowered so that they can thrive and flourish

(2) **Council Policies**

Complies with relevant Council Policies

8.0 Impact Assessments

8.1 Have you attached the combined equalities impact assessment to ensure compliance with the public sector equality duty and fairer Scotland duty? (All EFSIAs also require to be published on the Council's website)

Yes

8.2 If an impact assessment has not been undertaken you should explain why:

9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

10.0 Appendices

10.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

Appendix 1 - Non-Domestic Rates Empty Relief Policy

Appendix 2 - Equalities and Fairer Scotland Impact Assessment

11.0 Background Papers

11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

Yes (please list the documents below) No

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Ben Watson	Team Leader – Revenues	01259 226228

Approved by

NAME	DESIGNATION	SIGNATURE
Chris Alliston	Strategic Director – Partnership and Performance	

Clackmannanshire Council

Non-Domestic Rates Empty Relief Policy

1. Scope

Clackmannanshire Council, as all other Local Authorities in Scotland, is required to have a policy on the reliefs available to empty property within Non-Domestic Rates.

This policy will be effective from 1st April 2026 and replaces the previous policy approved by Council as part of the Revenue and Capital budget 2025/26, which was effective from 1st April 2025

2. Definition

Empty properties are properties listed in the Valuation Roll by the Assessors for Central Scotland that are unoccupied.

For determining eligibility for empty relief, a property is considered empty if all movable items have been removed.

Properties undergoing refurbishment are also classified as empty. However, if a property is being used for storage and has contents insurance, it does not qualify for empty relief.

3. Extent to which relief can be awarded for subjects completely unoccupied.

The following relief will be awarded, where appropriate conditions are met, usually following an application made by ratepayer or their agent.

Relief to be awarded – time limited

The introduction of a standard rate of relief where unoccupied property is eligible for:

- 50% relief for the first three months since becoming unoccupied;
- Followed by 10% relief for nine months,
- No relief will be granted after 12 months.

Relief to be awarded – without limit of time

100% relief will be awarded indefinitely for unoccupied properties which meet any of the following:-

- Empty property which is owned by a trustee for sequestration, liquidation, or executors.

- The person entitled to possession of the lands and heritages is so entitled by virtue of being: -
 - a) The trustee under a trust deed for creditors; or
 - b) The trustee under an award of sequestration; or
 - c) The executor of the estate of a deceased person.
- Empty property where the owner is a company or partnership being wound up under the Insolvency Act.
 - a) The person entitled to possession of the lands and heritages is so entitled in his capacity as liquidator by virtue of an order made under Section 112 or Section 145 of the Insolvency Act 1986 (d); or
 - b) The owner of the lands and heritages is a company which is subject to a winding-up order made under the Insolvency Act 1986, or which is being wound up voluntarily under that Act
- The property is unoccupied and is legally prohibited from being occupied due to a statutory order or other binding legal restriction.

Important Notes

This policy has no impact on occupied properties. Empty Property Relief does not affect other statutory reliefs such as Fresh Start Relief or New and Improved Reliefs.

All reliefs awarded are included for Subsidy Control purposes.

The maximum backdate of relief will be the beginning of the financial year, in which the application is made.

4. Implementation

This policy will take effect on 1 April 2026. The implementation of this policy will not result in the empty start date for any property being recalculated; accordingly, existing empty periods will continue to be measured from their original commencement date in April 2025.

5. Review

This policy be reviewed on an annual basis to assess financial viability to the Council and impact on local business.

Equality and Fairer Scotland Impact Assessment - Screening

Title of Policy:	Non-Domestic Rates – Empty Property Relief Policy 2026
Service:	Finance & Revenues
Team:	Revenues

Will the policy have to go to Council or committee for approval	Yes
Is it a major policy, significantly affecting how functions are delivered?	Yes
Does it relate to functions that previous involvement activities have identified as being important to particular protected groups?	No
Does it relate to an area where the Council has set equality outcomes?	No
Does it relate to an area where there are known inequalities?	Yes
Does it relate to a policy where there is significant potential for reducing inequalities or improving outcomes?	/No

IF YES TO ANY - Move on to an Equality & Fairer Scotland Assessment

IF NO - Explain why an Equality & Fairer Scotland Assessment is not required

--

APPROVAL

NAME	DESIGNATION	DATE
Ben Watson	Team Leader – Revenues & Benefits	10/03/2026

NB This screening exercise is not to be treated as an assessment of impact and therefore does not need to be published. However, if you decide not to assess the impact of any policy, you will have to be able to explain your decision. To do this, you should keep a full record of how you reached your decision.

Equality and Fairer Scotland Impact Assessment - Scoping

<p>Purpose of the proposed policy or changes to established policy</p>
<p>To implement a revised local policy for NDR Empty Property Relief. The change introduces a new 100% relief with no time limit for properties that are legally prohibited from occupation</p>
<p>Which aspects of the policy are particularly relevant to each element of the Council's responsibilities in relation to the General Equality Duty and the Fairer Scotland Duty?</p>
<p>General Equality Duty -</p>
<p>➤ Eliminating unlawful discrimination, harassment and victimisation and other prohibited conduct</p>
<p>Relief applies uniformly regardless of protected characteristics. No discriminatory criteria.</p>
<p>➤ Advancing equality of opportunity between people who share a relevant protected characteristic and those who do not</p>
<p>May benefit small or new businesses (including those owned by minority groups) by easing financial burdens.</p>
<p>➤ Fostering good relations between people who share a protected characteristic and those who do not.</p>
<p>The relief concerns taxation rather than community relations.</p>
<p>Fairer Scotland Duty -</p>
<p>➤ Reducing inequalities of outcome caused by socioeconomic disadvantage</p>
<p>The relief may assist:</p> <ul style="list-style-type: none"> • Small local businesses disproportionately impacted by statutory prohibition orders (e.g., safety issues leading to closure). • Ratepayers with limited financial resilience. <p>However, the relief is property-based and not targeted at individuals.</p>

To which of the equality groups is the policy relevant?		
Protected Characteristic	Yes/No*	Explanation
Age	No	Policy applies to properties, not individuals.
Disability	No	Policy applies to properties, not individuals.
Gender Reassignment	No	Policy applies to properties, not individuals.
Marriage and civil partnership	No	Policy applies to properties, not individuals.
Pregnancy and Maternity	No	Policy applies to properties, not individuals.
Race	No	Policy applies to properties, not individuals.
Religion and Belief	No	Policy applies to properties, not individuals.
Sex	No	Policy applies to properties, not individuals.
Sexual Orientation	No	Policy applies to properties, not individuals.

* Delete as required

What evidence is already available about the needs of relevant groups, and where are the gaps in evidence?

N/A

Which equality groups and communities might it be helpful to involve in the development of the policy?

N/A

Next steps

We will continue to monitor appals and impact on businesses.

Equality and Fairer Scotland Impact Assessment - Decision

Evidence findings		
Relief applies uniformly and is based solely on property status. No negative impacts identified for protected groups. Potential positive socioeconomic effect for businesses facing legal barriers to occupation.		
Details of engagement undertaken and feedback received		
Policy review carried out within Revenues. No public consultation required due to technical nature of changes.		
Decision/recommendation		
Having considered the potential or actual impacts of this policy, the following decision/ recommendation is made:		
Tick X	Option 1: No major change The assessment demonstrates that the policy is robust. The evidence shows no potential for unlawful discrimination and that all opportunities have been taken to advance equality of opportunity and foster good relations, subject to continuing monitoring and review.	
	Option 2: Adjust the policy – this involves taking steps to remove any barriers, to better advance equality or to foster good relations. It may be possible to remove or change the aspect of the policy that creates any negative or unwanted impact, or to introduce additional measures to reduce or mitigate any potential negative impact.	
	Option 3: Continue the policy – this means adopting or continuing with the policy, despite the potential for adverse impact. The justification should clearly set out how this decision is compatible with the Council’s obligations under the duty.	
	Option 4: Stop and remove the policy – if there are adverse effects that are not justified and cannot be mitigated, consideration should be given to stopping the policy altogether. If a policy leads to unlawful discrimination it should be removed or changed.	
Justification for decision		
The introduction of a new unlimited 100% relief category is equitable and prevents ratepayers being financially penalised when occupation is legally prohibited. No protected characteristic group is disproportionately affected.		
APPROVAL		
NAME	DESIGNATION	DATE
Ben Watson	Team Leader – Revenues & Benefits	10/03/202

