

# SL(5)743 – The Non-Domestic Rating (Unoccupied Property) (Wales) (Amendment) Regulations 2021

## Background and Purpose

The Regulations amend Regulation 5 of the Non-Domestic Rating (Unoccupied Property) (Wales) Regulations 2008 such that the temporary period of occupancy required before receiving a subsequent period of Empty Property Rates Relief is extended. The period is extended from six weeks to 26 weeks.

The policy intent is to reduce a widely known method of abuse of the six-week period by disingenuous persons in order to claim repeated cycles of rates relief, which is against the policy intention of the relief scheme.

The aim of the six-week period was to ensure there is no disadvantage for owners who regularly let to genuine short-term occupants. However, there is extensive evidence that the six-week period is being exploited to claim continuous cycles of Empty Property Rates Relief. The temporary period of occupancy is often artificial and contrived, with examples of cardboard boxes, pallets, posters or a Bluetooth transmitter being stored in an otherwise empty property. The Welsh Government and local authorities believe that by requiring a 26-week period of occupancy, where full rates are paid, these artificial arrangements would be discouraged.

## Procedure

Negative

## Technical Scrutiny

No points are identified for reporting under Standing Order 21.2 in respect of this instrument.

## Merits Scrutiny

The following point is identified for reporting under Standing Order 21.3 in respect of this instrument.

### **1. Standing Order 21.3(ii) – that it is of political or legal importance or gives rise to issues of public policy likely to be of interest to the Senedd**

These Regulations, although being laid now, do not come into force until April next year. The Explanatory Memorandum states that:

*“The Regulations have a commencement date of 1 April 2022 to allow time for ratepayers, local authorities and other stakeholders to prepare for changes.”*



## Welsh Government response

A Welsh Government response is not required.

## Committee Consideration

The Committee considered the instrument at its meeting on 22 February 2021 and reports to the Senedd in line with the reporting point above.

