

Local Government, Housing and Planning Committee

8th Meeting, 2023 (Session 6)

Tuesday, 14 March 2023

SSI cover note for: Council Tax (Exempt Dwellings) (Scotland) Amendment Order 2023

SSI 2023/36

Title of Instrument: Council Tax (Exempt Dwellings) (Scotland) Amendment Order 2023

Type of Instrument: Negative

Laid Date: 10 February 2023

Circulated to Members: 16 February 2023

Meeting Date: 14 March 2023

Minister to attend meeting: No

Motion for annulment lodged: No

Drawn to the Parliament's attention by the Delegated Powers and Law Reform Committee? No

Reporting deadline: 27 March 2023

Recommendation

1. The Committee is invited to consider any issues which it wishes to raise on this instrument.
2. An electronic copy of the instrument is available at: [Council Tax \(Exempt Dwellings\) \(Scotland\) Amendment Order 2023](#)

3. Copies of the Scottish Government’s Explanatory and Policy Notes are included in **Annexe A**.

Purpose

4. The policy note states that “The purpose of this order is to amend the Council Tax (Exempt Dwellings) (Scotland) Order 1997 (“the 1997 Order”), which lists those classes of dwellings which are exempt from council tax in Scotland.

5. The Order provides that “the exemption of liability of dwellings to council tax applies only where the dwelling is the sole or main residence of at least one person living in the UK under the Homes for Ukraine sponsorship scheme provided for under the Immigration Rules, and the accommodation is being provided by an Approved sponsor under that scheme.”

6. The Order exempts dwellings occupied as the sole or main residence of persons who come into the United Kingdom under certain other specified resettlement or relocation schemes, where the persons are hosted in the accommodation without making any payment for the accommodation.

7. The policy note further explains that the purpose of the Order is to—

“target the exemption from liability of council tax, in the circumstance where the dwelling is the sole or main residence, to those in the UK under the Homes for Ukraine sponsorship scheme provided for under the Immigration Rules, where the accommodation is being provided by an Approved sponsor under that scheme.”

8. The exemption would also apply to property owners offering to house persons coming to the UK under that scheme in a property that they own but do not live in (such as a second home or a long-term empty property).

9. The Order also exempts dwellings occupied as the sole or main residence of persons who come into the United Kingdom under certain other specified resettlement or relocation schemes, where the persons are hosted in the accommodation without making any payment for the accommodation.

Delegated Powers and Law Reform Committee consideration

10. At its meeting on 28 February 2023¹ the DPLR Committee considered the instrument and agreed not to draw it to the attention of the relevant lead committee.

Procedure for Negative Instruments

¹ <https://digitalpublications.parliament.scot/Committees/Report/DPLR/2023/2/28/31dd5c50-cd7e-4c2c-afb4-3538f49774ec#Annex-A>

11. Negative instruments are instruments that are “subject to annulment” by resolution of the Parliament for a period of 40 days after they are laid. All negative instruments are considered by the Delegated Powers and Law Reform Committee (on various technical grounds) and by the relevant lead committee (on policy grounds). Under Rule 10.4, any member (whether a member of the lead committee) may, within the 40-day period, lodge a motion for consideration by the lead committee recommending annulment of the instrument. If the motion is agreed to, the Parliamentary Bureau must then lodge a motion to annul the instrument for consideration by the Parliament.

12. If that is also agreed to, Scottish Ministers must revoke the instrument. Each negative instrument appears on a committee agenda at the first opportunity after the Delegated Powers and Law Reform Committee has reported on it. This means that, if questions are asked or concerns raised, consideration of the instrument can usually be continued to a later meeting to allow correspondence to be entered into or a Minister or officials invited to give evidence. In other cases, the Committee may be content simply to note the instrument and agree to make no recommendation on it.

**Clerks,
Local Government, Housing and Planning Committee**

Annexe A

Scottish Government Explanatory Note

EXPLANATORY NOTE

This Order amends the Council Tax (Exempt Dwellings) (Scotland) Order 1997 (“the 1997 Order”), which lists those classes of dwellings which are exempt from council tax in Scotland.

The Order amends paragraph 26 of schedule 1 of the 1997 Order. The effect of the amendment is to provide that the exemption of liability of dwellings to council tax applies only where the dwelling is the sole or main residence of at least one person who has come to the UK under the Homes for Ukraine Sponsorship Scheme, and where the accommodation is being provided by an Approved sponsor under that Scheme. It also exempts dwellings occupied as the sole or main residence of displaced persons who come to the UK under certain other specified schemes, where the persons are hosted in the accommodation without making any payment in return for the provision of the accommodation.

POLICY NOTE

THE COUNCIL TAX (EXEMPT DWELLINGS) (SCOTLAND) AMENDMENT ORDER 2023

SSI 2023/36

1. The above instrument is made in exercise of the powers conferred by section 72(6) and (7) of the Local Government Finance Act 1992(1). It is subject to the negative procedure.

The purpose of this order is to amend the Council Tax (Exempt Dwellings) (Scotland) Order 1997 (“the 1997 Order”), which lists those classes of dwellings which are exempt from council tax in Scotland.

The Order amends paragraph 26 of schedule 1, to provide that the exemption of liability of dwellings to council tax applies only where the dwelling is the sole or main residence of at least one person living in the UK under the Homes for Ukraine sponsorship scheme provided for under the Immigration Rules, and the accommodation is being provided by an Approved sponsor under that scheme.

The Order exempts dwellings occupied as the sole or main residence of persons who come into the United Kingdom under certain other specified resettlement or relocation schemes, where the persons are hosted in the accommodation without making any payment for the accommodation.

Policy Objectives

2. The purpose of this Order is to target the exemption from liability of council tax, in the circumstance where the dwelling is the sole or main residence, to those in the UK under the Homes for Ukraine sponsorship scheme provided for under the Immigration Rules, where the accommodation is being provided by an Approved sponsor under that scheme.
3. Under the UK Government’s Homes for Ukraine scheme property owners can offer to house persons coming to the UK under that scheme in a property that they own but do not live in (such as a second home or a long-term empty property). Under the council tax system such persons living in a property would ordinarily become liable for paying the council tax on that property. The policy intention is for that not to be the case, and for persons coming under the Homes for Ukraine scheme not to be liable for council tax, so long as the accommodation is being provided by an Approved sponsor.
4. It also exempts dwellings occupied as the sole or main residence of persons who come into the United Kingdom under certain other specified resettlement or relocation schemes², where the persons are hosted in the accommodation without making any payment for the accommodation.

Consultation

1. No formal consultation was required to be carried out in relation to these Regulations.

Impact Assessments and Financial Effects

2. Given the changes in relation to people coming to the UK under resettlement and relocation schemes, consideration will be given in due course as to whether an EQIA is needed.

Local Government and
Communities Scottish Government
8 February 2023

-
- 1 1992 c. 14. The functions of the Secretary of State, in so far as within devolved competence, were transferred to the Scottish Ministers by virtue of section 53 of the Scotland Act 1998 (c. 46).
 3. the UK Resettlement Scheme, the Community Sponsorship Scheme, the Afghan Relocations and Assistance Policy, the Afghan Citizens Resettlement Scheme, the Vulnerable Persons Resettlement Scheme, the Vulnerable Children’s Resettlement Scheme. This reflects the fact that the aim of the council tax exemption is to support the availability of hosting accommodation under the Homes for Ukraine sponsorship scheme, and

other specified schemes, with a view to providing support to those who need it most; those able to find their own accommodation are more likely to be in a position to meet council tax liability. As such, the inclusion of the Homes for Ukraine scheme, was put in place to reflect the acute nature of the situation in Ukraine and the need to make urgent provision to enable people to flee that situation. The inclusion of persons coming to the UK under other specified schemes reflects a policy aim to secure parity for “hosted” persons who have been displaced from other countries. In doing so it has the policy intention of encouraging property owners to offer accommodation.