

SECOND HOME POLICY

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Version	Comments	Owner
1.	Policy for Executive Committee 14 January 2024	Rachel Stewart
2.	Policy for Budget Meeting 19 February 2026	Rachel Stewart

1. INTRODUCTION

- 1.1 The Scottish Government introduced legislation on 14 December 2023 giving Local Authorities the power to double Council Tax on second homes with the aim to prioritise housing for living in and to bring the Second Homes Policy in line with Long Term Empty Council Tax Policy.
- 1.2 This policy sets out the criteria for classing a dwelling as a second home, the Council Tax charge and the process for appealing a decision from 1 April 2024.
- 1.3 In all cases, staff will act in accordance with this policy and treat citizens fairly.

2. WHY WE NEED A POLICY

- 2.1 The legislation gives Local Authorities discretion to vary the Council Tax charged for second homes.
- 2.2 It is essential for the Council to demonstrate that it carries out administration of second homes effectively and fairly, therefore this policy has been produced to record decisions agreed at Council.

3. AIMS OF THE POLICY

- 3.1 The main aim of this policy is to set out how Scottish Borders Council will interact with Council Tax payers in the administration of second homes and;
 - a. Ensure that all staff involved in second homes operate a fair and consistent process;
 - b. Demonstrate the Council's commitment to the delivery of quality services to our customers;
 - c. Minimise losses to the Council from incorrectly administering second homes charges.

4. SECOND HOME DEFINITION

- 4.1 A second home is defined as a dwelling which is no one's sole or main residence, but which is furnished and in respect of which, during any period of 12 months, is lived in other than as a sole or main residence for at least 25 days during that period.

5. SECOND HOME ADMINISTRATION

- 5.1 Customer Advice & Support Service staff are responsible for the administration of Council Tax liability on second homes in accordance with legislative guidance and internal policy.
- 5.2 Second Homes will be assessed in respect of all applications/information supplied that meet the eligibility criteria specified in section 4.
- 5.3 Scottish Borders Council will apply the second home levy to all existing second homes which are in place on 31 March 2023 and continue to be classed as a second home under the revised conditions. The new levy charging period will commence from 1 April 2024.
- 5.4 Where a property is a second home, Council Tax shall be charged a premium.
- 5.5 From 1 April 2024 the agreed premium lies at the standard 100% increase.
- 5.6 From 1 April 2026 the Local Authority has additional powers to further vary the level of the premium. Any change to the standard premium must be agreed by Scottish Borders Council, aligned to the annual budget

setting process. This new premium level will remain in force for future years until such time as a further amended variation is agreed.

6. RATES OF SECOND HOME CHARGE

- 6.1 This policy is introduced in terms of The Council Tax (Variation for Unoccupied Dwellings) (Scotland) Amendment regulations 2023 which amends The Council Tax (Variation for Unoccupied Dwellings) (Scotland) Regulations 2013.
- 6.2 The discretionary powers have been further enhanced by The Council Tax (Variation for Unoccupied Dwellings) (Scotland) Amendment Regulations 2026.
- 6.3 The 2023 and 2026 legislation gives Local Authorities discretion to vary the Council Tax charged for second homes.
- 6.4 The levels of premium charged are noted in the table below.

Effective Date	Premium	Resulting Charge
1 April 2024	100%	200%
1 April 2026	125%	225%
1 April 2027	175%	275%
1 April 2028	200%	300%

- 6.5 No discretion is considered for the second homes.

7. BACKDATING

- 7.1 An assessment for second home status can be backdated to the date the criteria was met, provided the Council Tax payer satisfied the requirements at that time.
- 7.2 The charge will be based on the policy that was in place at that time.

8. RECONSIDERATIONS AND APPEALS

- 8.1 Once an assessment has been made, the Council Tax payer will be notified in writing of the decision. If the Council Tax payer disagrees with the decision, they may ask for a reconsideration in the first instance by writing to the Customer Advice and Support Service Manager.
- 8.2 Reconsiderations must be made in writing within 28 days of the decision being notified.
- 8.3 If that reconsideration is unsuccessful, the Council Tax payer may then make an appeal to the Local Taxation Chamber under Section 81(1) of the Local Government Finance Act 1992 ('the 1992 Act') in relation to the following decisions
- i) that a dwelling is a chargeable dwelling; or
 - ii) that you are liable to pay Council Tax in respect of the dwelling;
 - iii) or the calculation of an amount of Council Tax you are liable to pay.

When making an appeal the Council Tax payer must detail the decision they feel has not been made correctly in terms of the legislation and the reasons for this.

When discretionary powers are afforded to the Council it is important to note that an appeal will be considered as to whether the Council's Policy has been implemented correctly.

- 8.4 The appeal must be submitted to the Local Taxation Chamber within four months of the Council Tax payers notice to the Local Authority that they are aggrieved by the Local Authorities decision. If the appeal is lodged late an explanation for the delay must be provided.
- 8.5 There is no provision within the legislation which allows for payment to be withheld pending settlement of any outstanding appeal, dispute or enquiry and Council Tax remains due and payable whilst under dispute.