

# **HISTORIC BUILDINGS COUNCIL**

## **An advisory Council to the Department of the Environment**

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15<sup>th</sup> August 2008

Rating Policy Division  
Department of Finance and Personnel  
Room D12, Rathgael House  
Balloo Road  
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BT19 7NA

14<sup>th</sup> August 2008

Dear Sirs,

### **REVIEW OF DOMESTIC RATING: THE RATING OF EMPTY HOMES**

The Historic Buildings Council appreciates the opportunity to comment upon the future of Domestic Rating in Northern Ireland. We would like to make the following points:

#### **SECTION 3**

##### **Subsection 3: Application of a minimum capital value**

Council's greatest concern about the proposed policy is that buildings may be damaged in order to evade rates. Many small, empty rural dwellings in a poor state of repair are capable of future refurbishment and reuse. This has been clearly demonstrated by the properties restored under the Mourne Homestead Project. However, we believe the opportunity could be lost by what the consultation aptly calls "constructive vandalism". Older properties built prior to 1919 are particularly vulnerable as they comprise about half of all empty homes deemed unfit, as pointed out in the consultation. In order to alleviate the pressure that the application of rates could have on these buildings and their owners, we support the application of a minimum capital value.

Council suggests that a figure of £50,000 is more appropriate than £20,000. Site values are, of course, much inflated by development potential and it is intended that £50,000 would solely reflect existing use value.

##### **Subsection 4: Initial exemption period**

Council takes the view that it would be inequitable to exclude new speculative developments from rates for a period of 12 months without also excluding refurbishment projects. For example, the redevelopment of the listed Comber Mill has created

approximately 100 dwellings and should be treated in the same way as new build. Indeed, the reuse of brownfield sites should be encouraged.

We suggest that another factor to be taken into consideration concerns today's market conditions, with its collapsing chains, there is a considerable potential for inadvertent ownership of two homes. Therefore the exemption arguments favouring speculative builders set out in para. 63 should apply with equal force here. In all of these circumstances there is ample justification for exemption for as long as the unwanted property remains for sale, if not for abandonment of the proposals in their entirety. Indeed, Council takes the view that the policy if applied will be a disincentive to people who might otherwise move to homes that better met their needs.

### **Subsection 6 Exclusions**

We welcome and support the proposal to exclude listed buildings and monuments. Listed buildings legislation is often regarded by owners as a burden. They already face higher maintenance costs and the imposition of VAT on older buildings. Exclusion from empty rates would give a very positive message that built heritage is valued and appreciated.

However, the Historic Buildings Council is concerned about the well being of all historic buildings, including listed buildings, buildings in conservation areas, areas of townscape character and non-listed traditional and vernacular buildings in the countryside. We therefore urge the exclusion to be extended to all these historic buildings. Indeed, exclusion from rates for all buildings constructed prior to say, 1900, would provide an incentive for the reuse of brownfield sites.

A concern would be the effect of these proposals on encouraging demolitions which have the potential for some as yet undiscovered listable buildings to be lost by action taken to avoid rates.

### **Subsection 9 Anti-avoidance measures**

Damage to property in order to avoid payment of rates is of great concern, as stated above under Subsection 9. Therefore, anti-avoidance measures are absolutely crucial to the application of this policy.

I trust you will find these comments helpful.

Yours sincerely



Frank Roberson  
**CHAIRMAN**