Equality Impact Assessment
Validation Decision Notice

<table>
<thead>
<tr>
<th>EIA Reference Number</th>
<th>186</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service, policy, or strategy</td>
<td>Changes to Council Tax Discretionary Discounts</td>
</tr>
<tr>
<td>Element(s) assessed</td>
<td>All</td>
</tr>
<tr>
<td>Names of Assessors</td>
<td>Exchequer Manager, HR Business Partner, Policy Officer, Project Manager</td>
</tr>
</tbody>
</table>

Consider:

Was discrimination or disadvantage identified? [ ] Yes [ ] No

Was the service promoting equality? [ ] Yes [ ] No

Could the service be improved in promoting equality? [ ] Yes [ ] No

Are the customers' needs understood and met? [ ] Yes [ ] No

Is there good evidence and/or reasoning to support the decisions on whether groups are/aren't affected? [ ] Yes [ ] No

Does the summary report properly reflect the key findings of the assessment? [ ] Yes [ ] No

Is the summary report clear and easy to understand? [ ] Yes [ ] No

If improvements have been identified, do they reflect and deal with the key findings? [ ] Yes [ ] No

The decision is to: [ ] Validate [ ] Not validate

The reason/s for the decision are: *please give details below*

- Validation given – information correct [ ]
- Not validated – decision not to proceed as EIA incorrect [ ]
- Not validated - screening error [ ]
- Not validated – research/consultation error [ ]
- Not validated – improvement error [ ]

Signed

Name
Laura Taylor

Designation
Corporate Director

Date
17 January 2013
Equality Impact Assessment

Stage 1

STAGE 1 – Briefing Note

<table>
<thead>
<tr>
<th>EIA ID (Sinbad reference number)</th>
<th>186 – Changes to Council Tax Discretionary Discounts</th>
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<tbody>
<tr>
<td>Date of meeting</td>
<td>04 December 2012</td>
</tr>
<tr>
<td>Job Titles of assessors</td>
<td>Exchequer Manager, HR Business Partner, Policy Officer, Project Manager</td>
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**The Assessment**

Changes to Council Tax regulations, effective from 1 April 2012, enable councils to set the percentage reduction or increase in specific classes of properties considered empty for Council Tax purposes.

Councils are required to review the level of discretionary discounts – current and new – each financial year and the final decision to be made by Full Council in readiness for setting the council tax base for the following financial year.

This assessment considers the impact of the proposed changes in the level of discretionary discount on the protected characteristics/vulnerable groups.

**Initial Findings**

Government are encouraging owners of empty properties to bring them back into use. This should ease the housing and homelessness situation, and give councils the power to set the discount at a level which reflects the need of their community.

The owner of the second property, who is liable for the council tax on the empty property, would be affected by the proposed changes. However, homeowners with second properties are generally in a financial better situation, which allows them to own another dwelling.

Initial discussion revealed that changes the discretionary discount could impact on all groups as this report affects homeowners.

It was noted that the properties linked to this report are “empty” that are:

- Undergoing structural or major repair that requires the property to be unoccupied eg replacement of all floorboards, conversion to flats.
- Properties which are empty by choice of the owner, such as between rentals, on the market for sale etc.
- Second homes which are occupied on a part time basis such as holiday homes, or accommodation near a place of work
Equality Impact Assessment

Stage 1

The changes do not affect the statutory exemptions such as where the sole resident owner is receiving care elsewhere, the owner is in prison, the owner is required to live elsewhere as a condition of their employment.

Justification

The decision was to continue to stage 2, scoping and screening as the changes have a direct impact on a range of customer groups.
Equality Impact Assessment

Summary Report

Stage 6

<table>
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The Assessment

Changes to Council Tax regulations, effective from 1 April 2012, enable Councils to set the percentage reduction or increase in specific classes of properties considered empty for council tax purposes.

Councils are required to review the level of discretionary discounts – current and new – each financial year and the final decision to be made by Full Council in readiness for setting the council tax base for the following financial year.

Council tax regulations, specifically those in respect of discretionary discounts, have been the base for which proposals have been made. Information recorded on the council tax database has also been used to evidence the average time that a property remains empty and that information has been used as the basis for the phasing out of the reduction (discount). No statistical data was available on protected characteristics due to data protection regulations (this information is not required to establish council tax liabilities), however, the council works closely with local representative groups and it was noted that this partnership work should continue to ensure a full understanding of the impact of the proposed changes on these groups.

Currently entitlement to council tax exemptions and discounts for the properties, now subject to this change, have been defined within council tax regulations and owners of these properties are required to notify the council of any changes in circumstances in order that the reduction reflects the actual situation.

The Customer/Customer Group

Those affected by the proposed changes to council tax discounts are people who live in a property (in or outside of the borough), but own a second property in the borough which falls into the class of empty property affected by this change in regulations.

Consultation and Research

Changes have been consulted on as part of the Medium Term Financial Strategy. Research included looking at authorities within Hampshire or our family group in terms of what they currently provide in terms of discounts, and what they are proposing following the change in regulations.
Stage 6

Key Individuals and Organisations

Local authorities throughout Hampshire and in Audit Family Group. Professional bodies used within the council tax service i.e. IRRV and CIPFA.

Internal departments include House (empty homes), Finance and Equality Impact Assessment panel members.

Assessment Findings

The owner of the second property, who is liable for the council tax on the empty property, would be affected by the proposed changes. However, homeowners with second properties are generally in a financial better situation, which allows them to own another dwelling.

When considering the protective characteristic groups, a potential negative impact of the proposed changes was noted for people who have learning difficulties or mental illness, who may find it possibly more challenging to manage the process. Those on benefits or low income could also be affected, however, the council, in conjunction with partner organisations and other organisations will continue to provide a comprehensive support service to these individuals to avoid any potential adverse impacts and will continue to do so.

Potential positive impacts identified include that other residents of the borough will benefit from council tax freezes, which are enabled, in part, as a result of the additional income from these changes. The proposed changes to discounts will also help the council to meet the needs of all residents in the borough by providing more financial resource to be distributed across other council and county council services. Another alternative would be to remove all discounts which would improve this situation further.

Another positive impact is that a change in reduction of discounts should encourage owners to bring properties back into the letting market should help ease the homelessness situation and provide a greater opportunity for people to move to a property that better meets their personal and financial position.

Recommendations

This process will need to be regularly monitored over the course of its implementation. The council should continue to work with local representative groups to better understand the impact of the proposed changes to discounts on the protected characteristics groups. There is an annual statutory requirement to review, and for full Council to decide on the level of discounts for the following financial year based on the findings.

This EIA needs to be taken into account alongside the council tax support scheme (CTS) EIA during 2013/14 in particular, as the funding of the CTS scheme for that year is dependent on the additional income from changes to discount. Regard should be given to people owning a second property who find themselves in the position of a change in financial circumstances.
Stage 6

which results in the need to claim CTS on their main home; CTS cannot be claimed on a second property.