

# Sheffield City Council Equality Impact Assessment



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Help is also available by selecting the grey area and pressing the F1 key

**Name of policy/project/decision:** Changes to Council Tax Discounts

**Status of policy/project/decision:** New

**Name of person(s) writing EIA:** John Squire

**Date:** 27/11/12

**Service:** Finance

**Portfolio:** Resources

**What are the brief aims of the policy/project/decision?** Under the Local Government Finance Act 2012, Local Authorities have been given powers to change the way in which some classes of property are treated for Council Tax Purposes. The Council intends to take advantage of these changes. In doing so, this will increase the amount of revenue that the Council can collect from Taxpayers. This opportunity to increase the income the Council receives comes at a time when there is significant pressure on the Council's finances, following the cuts in Government grant as a result of the 2010 Spending review and with the government grant for 2013/14 and beyond expected to contain significant reductions. Consequently any chance to increase the income raised by Council Tax will help in protecting funding for services in the coming years. Also, by introducing these changes the Council hopes to see empty homes, particularly those that have been empty for a significant period, to be brought back into use. This will increase the supply of much needed housing within the City whilst also reducing the negative impacts, such as anti social behaviour, reduction in property and rental values and a general downturn in the appearance of localities, that the prevalence of empty homes can have on communities across the City.

Specifically, the Council intends to

- remove the current 10% discount on second homes
- replace the the current 12 month exemption from council tax on empty homes in need of repair with a 25% discount in Council Tax Liability for a maximum period of 12 months
- replace the current 12 month exemption from council tax on empty unfurnished homes is with a 10% discount for a maximum of 6 months
- increase the Council Tax liability of properties that have been empty for 2 years by 50%.

If approved, these changes would be introduced in April 2013.

The Council currently bills 235,000 households across the City. The total number of properties affected by the changes will be around 4,800 which represents 2% of the total number of properties liable for Council Tax in the City.

**Are there any potential Council staffing implications, include workforce diversity?** No

Under the [Public Sector Equality Duty](#), we have to pay due regard to: “Eliminate discrimination, harassment and victimisation, advance equality of opportunity and foster good relations.” [More information is available on the council website](#)

<b>Areas of possible impact</b>	<b>Impact</b>	<b>Impact level</b>	<b>Explanation and evidence (Details of data, reports, feedback or consultations. This should be proportionate to the impact.)</b>
<b>Age</b>	Neutral	Low	<p>We have no evidence which would suggest that customers of a different age will be disproportionately affected by these changes. Single Person Discount, which provides single people of all ages with a 25% reduction in their Council Tax Liability, is not part of these proposals and so will continue to be awarded. Young people aged 18 or over for whom Child Benefit is still received will continue to be discounted for Council Tax purposes.</p> <p>The current system of exemptions and discounts for students is not within scope of these changes so students receiving those discounts or exemptions will continue to do so.</p>
<b>Disability</b>	Neutral	Low	<p>There are currently a number of ways in which disabled people can obtain a reduction in their Council Tax Liability through Council Tax Discounts, Reliefs and Exemptions. These, which include Single Person Discount, discounts because a property has been specifically adapted for disabled use and an exemption from Council Tax on the grounds of Severe Mental Impairment, are not within the scope of these changes and so will continue to be awarded. The current exemption from Council Tax that applies to taxpayers who are living somewhere other than their main residence to receive care is not affected by the proposed changes so will continue to be applied where appropriate.</p>
<b>Pregnancy/maternity</b>	Neutral	Low	<p>We have no evidence which would suggest that pregnant customers will be disproportionately affected by these changes. Single Pregnant customers will still receive Single Persons Discount after giving birth.</p>
<b>Race</b>	Neutral	Low	<p>We have no evidence which would suggest that customers of a different race will be disproportionately affected by these changes. It is acknowledged that we do not have a profile, by race, of taxpayers affected by this change and as part of the action plan to assess the impact of this change we will seek to improve our understanding in this area.</p>
<b>Religion/belief</b>	Neutral	Low	<p>We have no evidence which would suggest that customers of a different religion or belief will be disproportionately affected by these changes. The current Council Tax Discount applicable to members of religious communities is not affected by these proposed changes and will therefore continue to be granted.</p>

<b>Areas of possible impact</b>	<b>Impact</b>	<b>Impact level</b>	<b>Explanation and evidence (Details of data, reports, feedback or consultations. This should be proportionate to the impact.)</b>
<b>Sex</b>	Neutral	Low	We have no evidence which would suggest that customers of a different sex will be disproportionately affected by these changes. It is acknowledged that we do not have a profile, by sex, of taxpayers affected by this change and as part of the action plan to assess the impact of this change we will seek to improve our understanding in this area.
<b>Sexual orientation</b>	Neutral	Low	We do not believe that customers of a different sexual orientation will be disproportionately affected by these changes.
<b>Transgender</b>	Neutral	Low	We do not believe that transgender customers will be disproportionately affected by these changes.
<b>Financial inclusion, poverty, social justice, cohesion or carers</b>	Neutral	Low	<p>It is acknowledged that these changes will see those affected have an increase in the amount of Council Tax that they are liable to pay. However, we believe that a high percentage of those affected will be professional or social landlords whose business model is dependant upon properties being made available for rent. As such we expect those businesses to either absorb these costs or to amend working practices to ensure that the accommodation that they are responsible for is of good standard and that they maximise the amount of time that their properties are available for letting or are occupied.</p> <p>We acknowledge that there will be some individuals who do not fall into these categories and as part of our action plan we will improve our understanding of the circumstances of those individuals in order to assess the impact that these changes will have on them.</p> <p>There are currently 2 categories of carers who are discounted for Council Tax purposes. The qualifying criteria for these discounts are not within the scope of the proposed changes so carers currently receiving these discounts will continue to do so. The current exemption from Council Tax that applies to taxpayers who are living somewhere other than their main residence to provide care is not affected by the proposed changes so will continue to be applied where appropriate.</p> <p>Residents of hostels who are of no fixed abode are currently discounted for Council Tax and this will not be affected by the proposed changes.</p>
<b>Voluntary, community &amp; faith sector</b>	Neutral	Low	We do not believe that the wider voluntary community or faith sector will be directly impacted by these changes, Some organisations within this sector who are landlords may be impacted but we would expect them to take all reasonable actions to minimise the impact of these changes on them.

Areas of possible impact	Impact	Impact level	Explanation and evidence (Details of data, reports, feedback or consultations. This should be proportionate to the impact.)
<b>Other/additional: Landlords</b>	Negative	Medium	As outlined above, some Landlords may be impacted by these changes and we would expect them to take all reasonable steps to minimise the impact the changes may have.
<b>Other/additional: Internal stakeholders (such as Housing Solutions, Housing Independence Service, Adult Social Care etc )</b>	Neutral	Low	The Council as a social landlord will be impacted by these changes. We expect officers within the Housing Service to take all reasonable steps to minimise the impact that these changes will have on the Housing Revenue Account.  We also expect that the increased income from these changes will contribute to the ongoing provision of services funded by Council Tax.

**Overall summary of possible impact (to be used on EMT, cabinet reports etc):**

Adopting the proposed changes to Council Tax discounts for second homes and empty properties will potentially generate income in the region of £2m per year. This income will be directly used to fund ongoing service provision at a time when the Council's finances are under extreme pressure. This will mean that those affected will have more Council Tax to pay in the future. The changes impact 2% of the properties the Council charges Council Tax for. There are a significant number of exemptions reliefs and discounts currently available within the Council Tax system which provide assistance to some of the most vulnerable people within the City. These are not within scope of the proposed changes and will continue to be awarded where appropriate in order to support those individuals.

If you have identified significant change, med or high negative outcomes or for example the impact is on specialist provision relating to the groups above, or there is cumulative impact you **must** complete the action plan.

**Review date:**                      **Q Tier Ref**    tbc                      **Reference number:** tbc

**Entered on Qtier:** -Select-                      **Action plan needed:** Yes

**Approved (Lead Manager):** Jon West    **Date:** 26/11/12

**Approved (EIA Lead person for Portfolio):**                      **Date:**

**Does the proposal/ decision impact on or relate to specialist provision:** no

**Risk rating:** Low

**Action plan**

Area of impact	Action and mitigation	Lead, timescale and how it will be monitored/reviewed
All groups	The Council will develop and implement a Communications Strategy which will ensure that all those affected by this change are made aware of the impact on them.	Development and Implementation of a Communications Strategy John Squire 2012 - April 2013
Financial Inc	We will work to identify those individuals who are not professional or social landlords and are affected by these changes so that we can gain a greater understanding of the impact that these changes will have on them	John Squire December 2012- March 2014
Race	<p>We will work to establish a baseline which shows the proportion of BME customers affected by these changes.</p> <p>We will develop a system to monitor the impact of this change on BME customers</p>	<p>John Squire December 2012 - April 2013</p> <p>John Squire April 2013- March 2014</p>
Sex	<p>We will work to establish a baseline which shows the profiles of taxpayers by sex in order to understand the impact these changes will have</p> <p>We will develop a system to monitor the impact of this change on customers of either sex.</p>	<p>John Squire December 2012 - April 2013</p> <p>John Squire April 2013- March 2014</p>
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**Approved (Lead Manager): Jon West Date: 05/10/12**

**Approved (EIA Lead Officer for Portfolio): Adele robinson Date: 29/11/12**

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