



## Integrated Impact Assessment document (incorporating Equalities, Future Generations, Welsh Language and Socio Economic Duty)

<p><b>Name of the Officer</b> completing the evaluation</p> <p>Ruth Donovan</p> <p><b>Phone no:</b> E-mail: <a href="mailto:ruthdonovan@monmouthshire.gov.uk">ruthdonovan@monmouthshire.gov.uk</a></p>	<p><b>Please give a brief description of the aims of the proposal</b></p> <p>Council tax premiums for long term empty properties and second homes</p>
<p><b>Name of Service area</b></p> <p>Revenues</p>	<p><b>Date</b></p> <p>14<sup>th</sup> February 2023. Updated January 2024 for review of decision to charge premiums on second homes</p>

**1. Are your proposals going to affect any people or groups of people with protected characteristics?** Please explain the impact, the evidence you have used and any action you are taking below.

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Age	There are potential benefits to the proposal if this allows more local people to stay in their communities and support their older relatives.	There is evidence that profiles of second homeowners are generally middle aged or retired. Therefore, the introduction of a council tax premium on second homes could have a greater financial effect on older people.	Provide at least 12 months' notice of premiums to allow homeowners to plan for the future and to take mitigating actions.
Disability	None identified at this stage	None identified at this stage	None identified at this stage
Gender reassignment	None identified at this stage	None identified at this stage	None identified at this stage

<b>Protected Characteristics</b>	<b>Describe any positive impacts your proposal has on the protected characteristic</b>	<b>Describe any negative impacts your proposal has on the protected characteristic</b>	<b>What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?</b>
Marriage or civil partnership	None identified at this stage	None identified at this stage	None identified at this stage
Pregnancy or maternity	None identified at this stage	None identified at this stage	None identified at this stage
Race	None identified at this stage	None identified at this stage	None identified at this stage
Religion or Belief	None identified at this stage	None identified at this stage	None identified at this stage
Sex	None identified at this stage	None identified at this stage	None identified at this stage
Sexual Orientation	None identified at this stage	None identified at this stage	None identified at this stage

## 2. The Socio-economic Duty and Social Justice

The Socio-economic Duty requires public bodies to have due regard to the need to reduce inequalities of outcome which result from socio-economic disadvantage when taking key decisions This duty aligns with our commitment as an authority to Social Justice.

	<b>Describe any positive impacts your proposal has in respect of people suffering socio economic disadvantage</b>	<b>Describe any negative impacts your proposal has in respect of people suffering socio economic disadvantage.</b>	<b>What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?</b>
<b>Socio-economic Duty and Social Justice</b>	<p>The proposal has the potential to increase the available housing stock to the local community. Allowing families to stay together and support each other.</p> <p>The county is facing some specific issues in respect of house prices, an increasing demand for affordable housing and the use of temporary accommodation.</p> <p>Revenues raised from the premiums will be used to help address some for these issues in the future.</p>	<p>Second homeowners support their local communities, shopping locally etc. Some also rent out these properties bringing people into the county where they spend in the local community.</p> <p><b>January 2024 review:</b> this identified that there are still concerns for second homes operating as self-catering businesses. The review identified that it is still too early to determine the full impact to the local economy of both a council tax premium and other wider factors e.g. changes to self-catering letting criteria for business rates, a potential Tourism Levy and the current cost of living crisis.</p>	<p><b>January 2024 review:</b> The review proposes that, due to the ongoing uncertainty for the tourism sector, to introduce an exception to exempt properties that move across from the commercial list to the domestic list from paying a council tax premium for a period of 12 months (standard council tax will still apply). This will give businesses affected by the self-catering rule change some extra time to plan and adjust their business model to the council tax regime.</p>

### 3. Policy making and the Welsh language.




<b>How does your proposal impact on the following aspects of the Council's Welsh Language Standards:</b>	<b>Describe the positive impacts of this proposal</b>	<b>Describe the negative impacts of this proposal</b>	<b>What has been/will be done to mitigate any negative impacts or better contribute to positive impacts</b>
<b>Policy Making</b>  Effects on the use of the Welsh language,  Promoting Welsh language  Treating the Welsh language no less favorably	Potential to keep local communities together and for Welsh Language skills to remain in the County.	None identified – considered to be small given the small number of second homes in the county.	None identified at this stage
<b>Operational</b>  Recruitment & Training of workforce	None identified at this stage	None identified at this stage	None identified at this stage
<b>Service delivery</b>  Use of Welsh language in service delivery  Promoting use of the language	None identified at this stage	None identified at this stage	None identified at this stage



**4. Does your proposal deliver any of the well-being goals below?** Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal. There is no need to put something in every box if it is not relevant!

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
<p><b>A prosperous Wales</b> Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p>	<p>Positive: Potentially allows communities/families to stay together rather than having to move away to live and work.</p> <p>Premiums should encourage occupancy and bring properties back into use.</p> <p>Negative: Some second homes help to promote tourism, bringing visitors, jobs and investments to the county. Owners are currently paying 100% council tax and feel they are already contributing to the county. Changes elsewhere within wider rates legislation (e.g. Self Catering rules) have the potential to bring properties back into the Council Tax list and thereby also be liable for the premium. These owners are concerned about the impact this may have on their business.</p> <p><b>January 2024 review:</b> this identified that the negatives noted above are still relevant and continue to be a concern to second homes operating as self-catering businesses. The review identified that it is still too early to determine the full impact to the local economy of both a council tax premium and other wider factors e.g. changes to self-catering letting criteria for business rates, a potential Tourism Levy and the current cost of living crisis.</p>	<p>Inform rate payers of any decisions as early as possible to allow them to plan for the future.</p> <p><b>January 2024 review:</b> This noted that ratepayers affected by council tax premiums have been contacted, drawing their attention to the decision and providing information to help them plan for the changes.</p> <p>The review also proposed that, due to the ongoing uncertainty for the tourism sector, to introduce an exception to exempt properties that move across from the commercial list to the domestic list from paying a council tax premium for a period of 12 months (standard council tax will still apply). This will give businesses affected by the self-catering rule change some extra time to plan and adjust their business model to the council tax regime.</p>

<b>Well Being Goal</b>	<b>Does the proposal contribute to this goal? Describe the positive and negative impacts.</b>	<b>What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?</b>
<b>A resilient Wales</b> Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)	No impact	None identified at this stage
<b>A healthier Wales</b> People's physical and mental wellbeing is maximized and health impacts are understood	No impact	None identified at this stage
<b>A Wales of cohesive communities</b> Communities are attractive, viable, safe and well connected	See above	None identified at this stage
<b>A globally responsible Wales</b> Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	No impact	None identified at this stage
<b>A Wales of vibrant culture and thriving Welsh language</b> Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation	No impact	None identified at this stage
<b>A more equal Wales</b> People can fulfil their potential no matter what their background or circumstances	Potential to invest the premium into the supply of affordable homes in the area.	None identified at this stage

**5. How has your proposal embedded and prioritised the sustainable governance principles in its development?**

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p>Long Term</p> <p>Balancing short term need with long term and planning for the future</p>	<p>There is the potential to utilise the income generated from these premiums to improve the supply of affordable homes in the county, which is a more longer term objective</p>	<p>None identified at this stage</p>
 <p>Collaboration</p> <p>Working together with other partners to deliver objectives</p>	<p>None identified at this stage</p>	<p>None identified at this stage</p>
 <p>Involvement</p> <p>Involving those with an interest and seeking their views</p>	<p>Public consultation ran for a period of four weeks to seek views on the proposal to introduce council tax premiums for long term empty properties and second homes. The views expressed were noted and considered as part of the decision making.</p> <p><b>January 2024 review:</b> This considered correspondence received from ratepayers in response to the original decision and the letters the council sent notifying ratepayers of the changes.</p> <p>The council also sourced information from the main trade association of self-catering suppliers to measure the potential impact to the sector.</p>	<p>None identified at this stage</p>

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p><b>Prevention</b></p> <p>Putting resources into preventing problems occurring or getting worse</p>	<p>It is proposed to use some of the revenue generated from these premiums to improve the supply of affordable homes in the county and to reduce the use of temporary accommodation. It is currently costing the Council circa £1m in Housing Benefit costs to fund these placements, diverting money away from other service areas.</p>	<p>None identified at this stage</p>
 <p><b>Integration</b></p> <p>Considering impact on all wellbeing goals together and on other bodies</p>	<p>None identified at this stage</p>	<p>None identified at this stage</p>



**6. Council has agreed the need to consider the impact its decisions has on the following important responsibilities: Corporate Parenting and Safeguarding. Are your proposals going to affect any of these responsibilities?**

	<b>Describe any positive impacts your proposal has</b>	<b>Describe any negative impacts your proposal has</b>	<b>What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?</b>
Safeguarding	None identified at this stage	None identified at this stage	None identified at this stage
Corporate Parenting	None identified at this stage	None identified at this stage	None identified at this stage

**7. What evidence and data has informed the development of your proposal?**

<ul style="list-style-type: none"> <li>Information from other councils who have introduced council tax premiums</li> <li>Welsh Government guidance</li> <li>Council tax database</li> <li>Public consultation</li> </ul> <p><b>January 2024 review:</b></p> <ul style="list-style-type: none"> <li>Data from the Wales branch of the Professional Association of Self Caterers</li> <li>Review of tourism data from Monmouthshire 2022 STEAM</li> <li>Welsh Government guidance for council tax premiums</li> <li>Council Tax and Business Rate data held by our Revenues Shared Service</li> </ul>
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**8. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?**

<p><b>Positive:</b></p> <ul style="list-style-type: none"> <li>Any additional revenue generated will be used to help address housing issues (e.g. affordability, availability and use of temporary accommodation) in the county.</li> <li>Potentially reduces the number of second homes and empty properties in the county releasing more homes for local people</li> </ul>
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**Negative:**

- The likely number of second homes in the county represents a relatively small proportion of the overall council tax dwellings in the county.
- Second homeowners generate income to the local community.
- Potential increase in the Revenues Team's workload and resources for minimal additional income (depending on the percentage premium applied).
- The overall council tax collection rate may reduce if council taxpayers refuse to pay the premium.

**9. ACTIONS: As a result of completing this form are there any further actions you will be undertaking? Please detail them below, if applicable.**

<b>What are you going to do</b>	<b>When are you going to do it?</b>	<b>Who is responsible</b>
If a decision is made to charge council tax premiums a notice will be published in the local press giving ratepayers 12 months notice of the change.	March 2023 – press notification - Completed. April 2024 – start charging premium	Revenues/Finance
A full review of properties listed as a second home and long term empty property will be undertaken	April 2023 to October 2023 - Ongoing	Revenues
The council will write to every ratepayer affected to check their details and notify owners of the charge	April 2023 to October 2023 - Completed	Revenues
Council Tax premiums will be reflected in the Council Tax base for the Authority in 2024/25 and built into the Medium Term Financial Plan	October 2023 to March 2024 - Actioned	Finance
On 9 <sup>th</sup> March 2023 Council determined to review the decision to charge a 100% council tax premium on second homes in the county from 1 <sup>st</sup> April 2024. Considering the likely effect that a council tax premium on second homes will have on the tourism industry in the county.	December 2023 to January 2024	Revenues/Finance
The 2024/25 annual council tax bills and all bills thereafter will include these premiums where applicable	March/April 2024 onwards	Revenues

**10. VERSION CONTROL: The Equality and Future Generations Evaluation should be used at the earliest stage, such as informally within your service, and then further developed throughout the decision making process. It is important to keep a record of this process to demonstrate how you have considered and built in equality and future generations considerations wherever possible.**

<b>Version No.</b>	<b>Decision making stage</b>	<b>Date considered</b>	<b>Brief description of any amendments made following consideration</b>
1	Consultation Responses	14/02/23	
2	Review of decision to charge a council tax premium on second homes from 1 <sup>st</sup> April 2024	December 2023	Propose to introduce a specific exception to help support businesses moving from the commercial list to the domestic list. The exception will exempt these businesses from the second home council tax premium for a period of 12 months (standard council tax will still apply).