



Leicester
City Council

Council

Date: 15th November 2018

Council Tax Empty Property Premiums

Report of the Director of Finance

1. Purpose of Report

- 1.1 The purpose of this report is to ask the Council to consider adopting new premiums for properties empty and unfurnished for two years or more under new powers granted from April 2019.
- 1.2 The intention of adopting new premiums for empty properties is to increase the availability of affordable housing and reduce homelessness in the city by bringing homes back into use. Council Tax revenue may also be increased in the short term, however in the medium to long term the change is anticipated to be cost-neutral.
- 1.3 The Council may decide to leave the current scheme unchanged, or to adopt the proposed increase in Council Tax liability for homes empty for more than two years from 50% to 100%. The Council may also declare an intention to increase premiums for homes empty for a longer period in 2020/21 and 2021/22. These options have been the subject of a public consultation.
- 1.4 The Council may also decide to apply exemptions in circumstances where the Empty Homes Premium should not apply.

2. Summary

- 2.1 Section 12 of the Local Government Finance Act 2012 introduced a new Section 11B into the original 1992 Act giving local authorities the power to levy extra council tax of not more than 50% on long-term empty homes, known as the empty homes premium. The Council has used this power since April 2013 and imposed the maximum premium of 50% over and above the charge which would apply if the domestic property was occupied.

- 2.2 For the empty home premium to apply, properties must have been empty and substantially unfurnished **for at least two years**, excluding any occupation for less than six weeks. The government can prescribe classes of properties where the premium should not apply and has prescribed an exemption for occupants serving in the Armed Forces absent for job-related purposes. Liability for the empty homes premium is determined by the length of time that the property has been empty, irrespective of any change in ownership, and includes any period the property may be in probate.
- 2.3 The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Bill received royal assent on the 1st November. The government had originally proposed to simply increase the above premium to a maximum of 100% over and above the occupied charge rate from 1st April 2019. However, the bill was amended to include additional maximum premiums to be introduced in future years.
- 2.4 In addition to the above 100% premium from 2019/20, it is now anticipated that from 2020/21 we will be able to increase the premium for properties which have been vacant for five years or more to 200%, and from 2021/22, that we will also be able to increase the premium for properties which have been vacant for ten years or more to 300%. Whilst the changes will generate additional revenue, the primary focus is to bring empty homes back into use.
- 2.5 The Council may also wish to consider exemptions where the long term empty property premium would not apply – for example, where an owner had made all reasonable endeavour to let out their property but had not been successful.
- 2.6 A public consultation has been conducted, and findings are summarised at point 6 below. A full summary of findings are presented in Appendix 1.

3. **Recommendations**

- 3.1 Council is recommended to adopt the Empty Homes Premium increase to 100% for homes empty for more than two years from 2019/20, to 200% for homes empty for more than five years from 2020/21, and to 300% for homes empty for more than ten years from 2021/22 from 1st April 2019.
- 3.2 Council is recommended to include a mandatory exemption for Armed Forces personnel supporting the Council's Armed Forces Covenant.
- 3.3 To note that should Parliament determine any further mandatory exemptions to the empty homes premium provisions then the council would be obliged to comply.

4. **Background**

- 4.1 We currently have 346 properties where a premium is being levied at the current maximum of 50%. The additional charge over and above the occupied rate is £229,000. Therefore, assuming the premium does not result in some of these properties becoming occupied, we could raise a further £229,000 (£458,000 in total) in 2019/20. Of these 346 properties, 222 will have been empty for 5 years or more by April 2020, and 92 for 10 years or more by April 2021, assuming they continue to be unoccupied.
- 4.2 Our consultation outlined our intention to use these new powers to the full, with a view to bringing properties back into use, or securing extra council tax if not. The consultation was open to all members of the public, with targeted communications for empty property owners and major landlords.

5. **Options**

- 5.1 The options consulted on were as follows, with respondents able to select all options which should apply:
- 5.2 **Option 1** – Make no change at all to the current scheme. Respondents were also asked if selected their views on other ways the Council could save or raise more money.
- 5.3 **Option 2** – From 2019, properties **empty for two or more years** would be charged **double** the council tax of occupied properties.
- 5.4 **Option 3** – From 2020, properties **empty for five or more years** would be charged **three times** the council tax of occupied properties.
- 5.5 **Option 4** – From 2021, properties **empty for 10 or more years** would pay **four times** the council tax of occupied properties.
- 5.6 Respondents were also asked how these proposals would affect them, any exemptions they felt should apply, and for any other comments or suggestions on saving money.

6. **Consultation Outcomes**

- 6.1 The consultation took place between 17 September and 14 October 2018, a period of four weeks. Consultations were available online and by paper form to download where required. Direct mailing was used to contact all charge payers currently liable for the Empty Homes Premium, and the consultation was promoted through

awareness distributed via the Empty Homes Team, Housing Options, the Landlord Forum, the Social Welfare Advice Partnership and internally throughout the service.

6.2 In total, there were 83 responses to the consultation, which is relatively substantial for a premium affecting only 243 individuals.

6.3 Of the 83 responses received:

- 64 were a resident of Leicester;
- 6 were a landlord;
- 4 were a local business;
- 2 were a local charity;
- 15 were another individual or organisation.

6.4 Of the 83 respondents (approximately half of whom are believed to be directly affected by the proposed change):

- 32 (39%) supported no change to the scheme (Option 1).
- Most respondents (60%) supported introducing additional premiums – more than half (46, 55%) supported Option 2, 35 (42%) supported Option 3 and 33 (40%) supported Option 4.
- 2 respondents did not select any options.

6.5 73 respondents provided a response to how the proposals would affect them.

- 32 (44%) felt the proposals would have no or negligible impact on them personally. There was however near-universal approval of the proposals in principle amongst this group, which were anticipated to have broader social benefits to the community including reduction in homelessness, reduction of derelict properties, improved Council finances and reduction of demand-driven rent increases.
- 19 (26%) acknowledged the proposals would have some financial impact on them, but nevertheless supported the policy objectives for the same reasons as the group outlined above.
- 22 (30%) felt the proposals would adversely affect them financially, and that the proposals were unjustified. Reasons included circumstances making properties difficult to renovate, let and sell, individual scenarios such as inheritance and ill health, and perceived unfairness impacting on a minority of charge payers.

6.6 33 respondents provided additional suggestions as to how the Council could save or raise more money. These included lobbying government for additional funds, reviewing Council pay structures, reducing other services and realising efficiencies in other areas such as street cleaning and Children's centres, and increasing Council Tax liability more widely.

6.7 59 (71%) of respondents agreed that the Council should introduce exemptions to the Empty Homes Premium. 22 (27%) disagreed, and 2 provided no answer.

- 6.8 56 respondents provided suggestions as to exempt categories. These included:
- An exemption for charge payers making efforts to let properties, incorporating mitigating circumstances such as the condition of the property;
 - A similar exemption for charge payers making efforts to sell properties, taking into account any restrictions on sale or recent change in ownership;
 - Properties going through probate, or owner unable to manage their affairs.
 - There were however concerns that the first two suggested exemptions could be exploited, and that any exemption should be time-limited.
- 6.9 An Equality Impact Assessment has been completed and can be found at Appendix 2. Full details of equality details gathered from the consultation are referenced in this document and can be found in Appendix 1.

7. Financial, Legal and other Implications

7.1 Financial Implications

These changes are intended to bring empty properties back into use. To the extent that this is successful, the amount of additional council tax which can be raised from the change will reduce. Additionally, we would lose some of the tax raised in respect of the 50% premium currently charged.

- 7.2 The maximum additional revenue the change would generate in 2019/20 would be £0.2m, which would support the budget in that year (after allowing for sums paid to the police and fire authorities). The additional income would further increase in later years but estimating at this stage is more speculative.

Mark Noble, Head of Finance ext. 374041

7.2 Legal Implications

The statutory provisions which empower the Council to effect the proposed changes are set out in the main body of the report. To comply with public law principles of good decision-making it is recommended to consult on the proposals before taking them to Council for a decision. It will also be important (when a decision at Full Council is required) to analyse “impacts” in order to comply with our PSED. In terms of consultation, the requirement is that “... consultation must be undertaken at a time when proposals are still at a formative stage. It must include sufficient reasons for particular proposals to allow those consulted to give intelligent consideration and an intelligent response; adequate time must be given for this purpose; and the product of consultation must be conscientiously taken into account when the ultimate

decision is taken". It is perfectly possible that a focussed and clear consultation can lawfully take place within the window of time suggested.

Kamal Adatia, City Barrister & Head of Standards ext. 371401

7.3 Climate Change and Carbon Reduction Implications

Bringing empty homes back into use can make a small but significant contribution to minimising Leicester's carbon emissions, as it reduces the need for new homes to be built. Construction of new homes generates carbon emissions and other environmental impacts arising from the extraction of raw materials, product manufacture and transport.

Aidan Davis, Sustainability Officer, Ext. 37 2284

7.4 Equalities Implications

Under the Equality Act 2010, public authorities have a Public Sector Equality Duty (PSED) which means that, in carrying out their functions, they have a statutory duty to pay due regard to the need to eliminate unlawful discrimination, harassment and victimisation, to advance equality of opportunity between people who share a protected characteristic and those who don't and to foster good relations between people who share a protected characteristic and those who don't.

Protected Characteristics under the Equality Act 2010 are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

There are potential social and community benefits arising from the options provided within the report to increase council tax empty property premiums. Homes that remain empty for long periods can be a waste of scarce resource, particularly in the context of growing demand for housing and can impact in neighbouring residents, if the empty home has attracted crime or anti-social behaviour.

The recommendation to increase the premium, will impact upon empty property owners and/ or major landlords from across all protected characteristics. An Equality Impact Assessment has been undertaken and is attached as Appendix 2. Via the consultation, concerns were raised in relation to a potential disproportionate negative impact, in particular circumstances, for individuals with the protected characteristic of disability. The examples provided in the consultation were circumstances where owners are unable to manage their affairs or where disability prompts a sudden unexpected need to change property and reduces ability to do the work required to empty the previous property. The respondents suggested that there should be mitigations in place to ensure that those with the protected characteristic of disability are not disproportionately disadvantaged by the proposals and this is detailed in the

Equality Impact Assessment attached as Appendix 2. Under the recommendations a 2-year time period where a property is empty and unfurnished would take place before the premium would apply. This would go some way to ensuring that, where owners are unable to manage their affairs or where disability prompts a sudden unexpected need to change property and reduces ability to do the work required to empty the previous property, the appropriate arrangements can be made. However, consideration must be paid by the decision maker as to whether the mitigation is effective in lessening the disproportionate impact or whether there are any additional exemptions under which the Empty Homes Premium should not apply, as per the second recommendation.

Hannah Watkins, Equalities Manager ext. 375811

7.5 **Other Implications**

N/A.

8. **Background Information and other papers**

9. **Summary of Appendices**

Appendix One: Consultation Findings

Appendix Two: Equality Impact Assessment

10. **Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)**

No.

11. **Is this a “key decision”?**

No.

12. **If a key decision please explain reason**

13. **Author**

Ashok Thakrar – 0116 454-2533

James Rattenberry – 0116 454 1616

Consultation Findings

The consultation took place between 17 September and 14 October 2018, a period of four weeks. Consultations were available online and by paper form to download where required. Direct mailing was used to contact all charge payers currently liable for the Empty Homes Premium, and the consultation was promoted through awareness distributed via the Empty Homes Team, Housing Options, the Landlord Forum, the Social Welfare Advice Partnership and internally throughout the service.

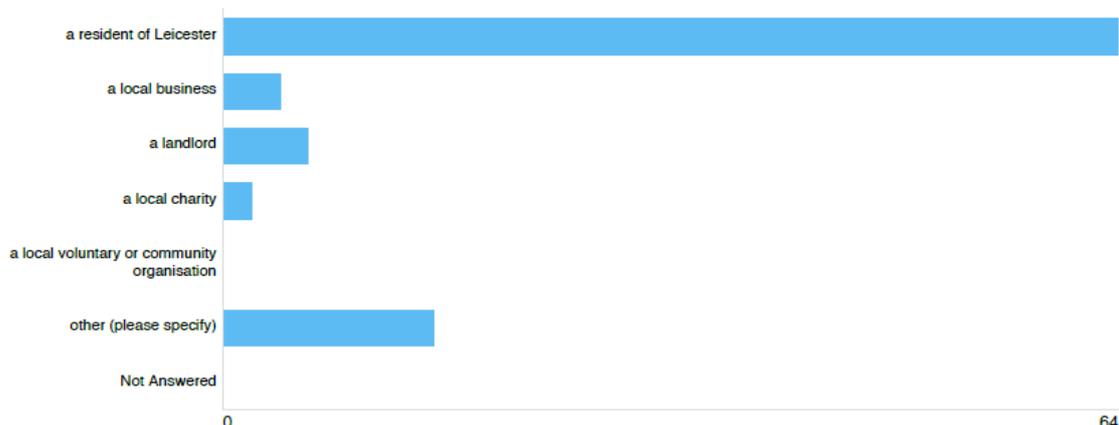
In total, there were 83 responses to the consultation, which is relatively substantial for a premium affecting only 243 individuals.

Of the 83 responses received:

- 64 were a resident of Leicester;
- 6 were a landlord;
- 4 were a local business;
- 2 were a local charity;
- 15 were another individual or organisation.

Question 1: Are you responding to this survey as: (please tick all that apply)

Responding as

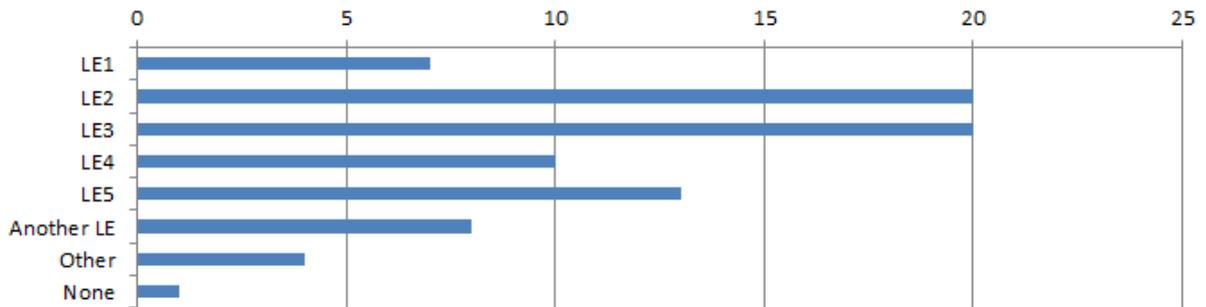


Option	Total	Percent
a resident of Leicester	64	77.11%
a local business	4	4.82%
a landlord	6	7.23%
a local charity	2	2.41%
a local voluntary or community organisation	0	0%
other (please specify)	15	18.07%
Not Answered	0	0%

Question 2: What is the first part of your home postcode? (for example: LE3, LE19)

Postcode

There were 82 responses to this part of the question.



Option	Total	Per cent
LE1	7	8.43%
LE2	20	24.10%
LE3	20	24.10%
LE4	10	12.05%
LE5	13	15.66%
Another LE	8	9.64%
Other	4	4.82%
None	1	1.20%
Total	83	

84% of respondents were based on the Leicester City area, 10% in the Leicestershire area and 5% outside of Leicestershire. However, all responses were considered valid as the owners of empty properties may well reside outside of Leicestershire and nevertheless be affected by any Empty Homes Premium increases.

Question 3: Are you service personnel (armed forces) or ex-service personnel?

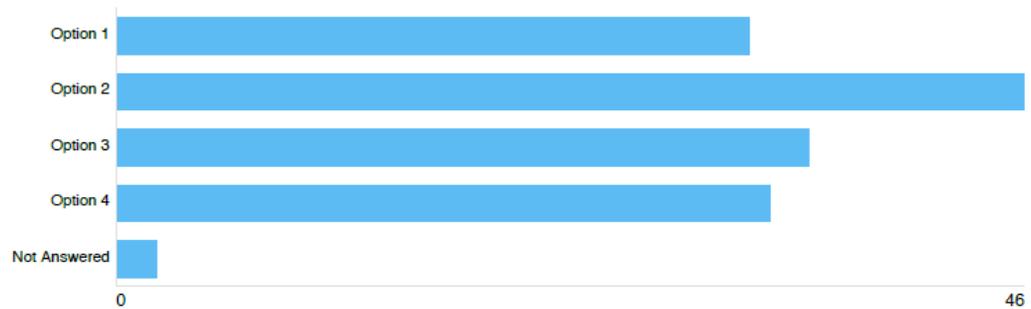
Service personnel



Option	Total	Percent
Yes	3	3.61%
No	80	96.39%
Not Answered	0	0%

Question 4: Which option(s) do you think the council should adopt? (tick all that apply)

Which option to adopt



Option	Total	Percent
Option 1	32	38.55%
Option 2	46	55.42%
Option 3	35	42.17%
Option 4	33	39.76%
Not Answered	2	2.41%

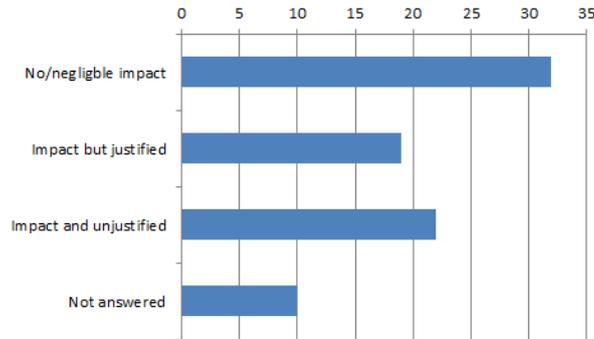
Of the 83 respondents:

- 32 (39%) supported no change to the scheme (Option 1).
- Most respondents (60%) supported introducing additional premiums – more than half (46, 55%) supported Option 2, 35 (42%) supported Option 3 and 33 (40%) supported Option 4.
- 2 respondents did not select any options.

Question 5: How would these proposals affect you?

How proposals affect you

There were 73 responses to this part of the question.



Response	Total	Per cent
No/negligible impact	32	38.55%
Impact but justified	19	22.89%
Impact and unjustified	22	26.51%
Not answered	10	12.05%
Total	83	

73 respondents provided a response to how the proposals would affect them.

- 32 (44% of respondents) felt the proposals would have no or negligible impact on them personally. There was however near-universal approval of the proposals in principle amongst this group, which were anticipated to have broader social benefits to the community including reduction in homelessness, reduction of derelict properties, improved Council finances and reduction of demand-driven rent increases.
- 19 (26%) acknowledged the proposals would have some financial impact on them, but nevertheless supported the policy objectives for the same reasons as the group outlined above.
- 22 (30%) felt the proposals would adversely affect them financially, and that the proposals were unjustified. Reasons included circumstances making properties difficult to renovate, let and sell, individual scenarios such as inheritance and ill health, and perceived unfairness impacting on a minority of charge payers.

Representative responses included:

“We are living with family while trying to do our house up but it is taking a lot longer than we anticipated and it now has been vacant for two years, so we are already paying the premium. However we would definitely have moved in by five years. I think people who have left their house empty for five years or more definitely are not intending to move in and should face double tax as they are just sitting on a spare property.”

“As a citizen of the city, concerned about homelessness and the lack of affordable housing for families in need, any policy that would encourage the owners of empty properties to bring them back into use should be encouraged. Empty properties are not desirable, not just because they potentially deprive people of a home, but they also sometimes attract anti-social behaviour, may become derelict and bring down the quality and perception of a whole area.”

“I think council tax is already high enough as it is. If you do this you are going to alienate the very people who could potentially help the homeless situation in the city. If you want to work with landlords do not financially penalise them it will just cause more problems than solving them. This will create a bigger divide between yourselves and the wider public that you are supposed to serve. I am already disgusted by the recent council tax rise, as it is nearly the equivalent of some of the public's take home pay for one month. With ever increasing costs I would think twice about becoming a landlord and property developer, which is something that I have given careful thought to.”

“The property is jointly owned by my mother, who has dementia, and step father who was incapable of managing the property any longer. I was awarded deputyship under the Court of Protection for my mothers' finances in 2016 and took over management of this property this year after applying to the COP to be trustee. The property is currently for sale and we are doing our best to achieve a reasonable price, as directed by the COP.

The only thing that you have achieved by increasing council tax on this property and threatening to increase it further is to put even more pressure on me, someone who volunteered to help my mother, because of her dementia, and who already spends a great deal of time on this!”

Question 6 If you have chosen Option 1, do you have any views on how the council could make savings or raise more money?

There were 33 responses to this part of the question

33 respondents provided additional suggestions as to how the Council could save or raise more money. These included lobbying government for additional funds, reviewing Council pay structures, reducing other services and realising efficiencies in other areas such as street cleaning and Children's centres, and increasing Council Tax liability more widely.

Notable responses included:

"The real question is when council properties were put on sale the funds should have been used to rebuild more properties but it was not. You want properties filled invite the landlord in for a discussion or write to them. I would look at getting feedback from property owner as to why they are empty in the first place. They may have idea that you have not thought of. Maybe the local council should look at how they can make savings or raise money internally instead of penalising landlords who in some cases have had to work very hard to obtain the properties that they do have."

"First of all, this proposal would affect 350 properties: considering there are over 22000 houses in Leicester, the number of empty properties is incredibly low. In some touristic areas, the percentage is much, much higher. Therefore this proposal would not really benefit Council's revenue.

- A review of all the salaries of all members of staff earning over £45.000 per year would make more sense. Managers and directors of Local Authorities should be proud of working for the community and accept lower wages.

- Close more Children Centres: parents can meet in other places and/or in their own homes.

- Try to rent out all available spaces, including sharing offices with private sector.

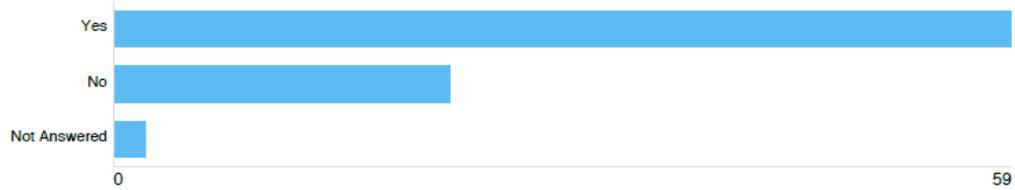
- Increase taxation on COMMERCIAL empty properties: in proportion there are more of these than empty residential properties. Quite often Landlords prefer not to offer properties at lower rent and keep them empty. Bad for the economy and it looks awful.

- Increase Council Tax

Request more funding from central government. Cut expenses in other areas. Don't penalise residents, this will drive people out of Leicester City."

Question 7: At present there are no exemptions to the empty homes premium. Do you think we should introduce any exceptions to the empty homes premium – for example, where there has been a change in ownership, or the liable person can show they have made efforts to let the property?

Exemptions



Option	Total	Percent
Yes	59	71.08%
No	22	26.51%
Not Answered	2	2.41%

Comments on exemptions

There were 56 responses to this part of the question.

59 (71%) of respondents agreed that the Council should introduce exemptions to the Empty Homes Premium. 22 (27%) disagreed, and 2 provided no answer.

56 respondents provided suggestions as to exempt categories. These included:

- An exemption for charge payers making efforts to let properties, incorporating mitigating circumstances such as the condition of the property;
- A similar exemption for charge payers making efforts to sell properties, taking into account any restrictions on sale or recent change in ownership;
- Properties going through probate, or owner unable to manage their affairs.
- There were however concerns that the first two suggested exemptions could be exploited, and that any exemption should be time-limited.

Representative responses included:

“In the rare case that there are conditions on the sale of the property that the owner can demonstrate have prevented the sale or let, e.g. inherited property in a retirement community, otherwise, buyer beware. “Efforts to let” is not an excuse - if no-one is interested, try lowering the rent or improving the property.”

“I think an exemption would be good if a landlord could demonstrate reasonable efforts to let the property or if it has recently changed ownership. There'd need to be a time limit for the exemption though, for example, it would be reasonable to add an exemption if there had been a change of ownership in a 1-3 month period but after this time the new owner should really know what they plan to do with the property and should be making efforts to move in to it or let it out.”

“It would be good to have an exemption for empty properties when disability prompts a sudden unexpected need to change property and reduces ability to do the work required to empty the initial property while still fighting to complete other tasks in life like working, frequent hospital visits and time needed to recover from episodes of fatigue, numbness and other effects of the disability.”

Question 8: Do you have any other comments or suggestions about council tax or about how the council could save money?

Comments or suggestions

There were 34 responses to this part of the question.

Responses were similar to the Option 1 question above, and included:

“Lower business rates/taxes on buildings that could have businesses that are currently are empty in the city centre. If having a business is made more affordable that will attract more people to set up businesses in the city centre and in turn would provide monetary reward over time for the council.”

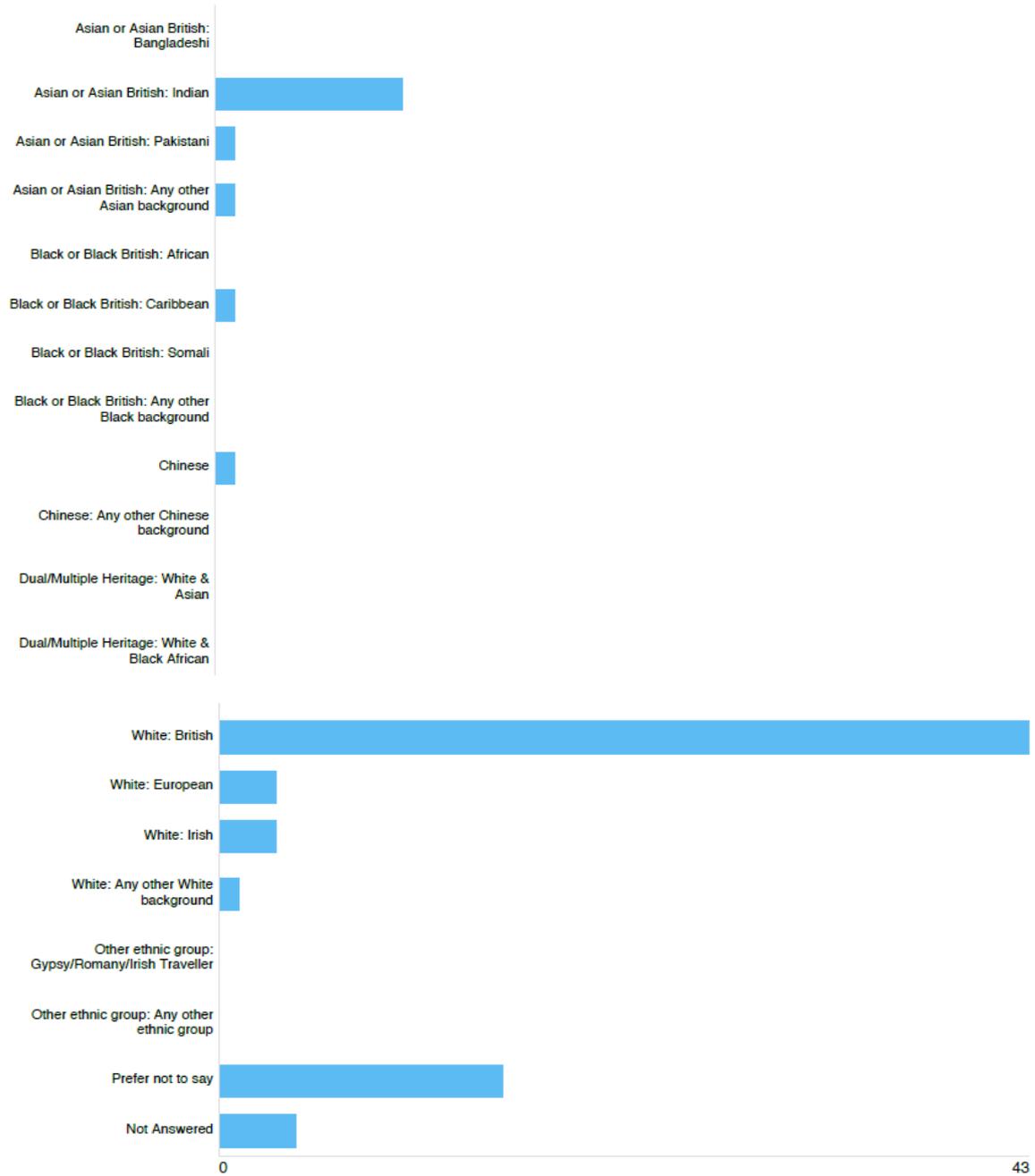
“More enforcement cameras on bus lanes/ civil enforcement parking wardens.”

“Chase council tax fraud instead of turning a blind eye”

An Equality Impact Assessment has been completed and can be found at Appendix 2. Full details of equality details gathered from the consultation are provided below.

Question 9: Ethnic background:

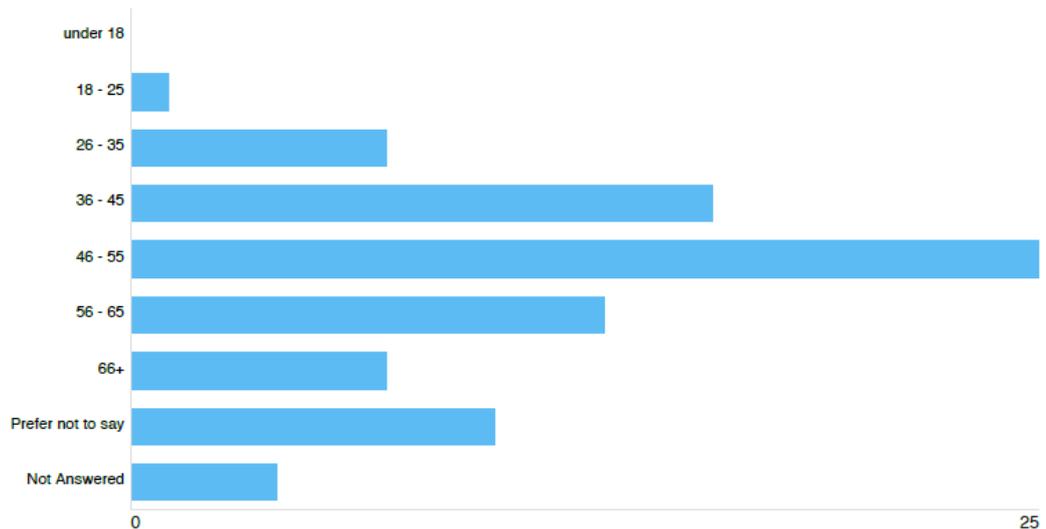
Ethnicity



Option	Total	Percent
Asian or Asian British: Bangladeshi	0	0%
Asian or Asian British: Indian	10	12.05%
Asian or Asian British: Pakistani	1	1.20%
Asian or Asian British: Any other Asian background	1	1.20%
Black or Black British: African	0	0%
Black or Black British: Caribbean	1	1.20%
Black or Black British: Somali	0	0%
Black or Black British: Any other Black background	0	0%
Chinese	1	1.20%
Chinese: Any other Chinese background	0	0%
Dual/Multiple Heritage: White & Asian	0	0%
Dual/Multiple Heritage: White & Black African	0	0%
Dual/Multiple Heritage: White & Black Caribbean	0	0%
Dual/Multiple Heritage: Any other heritage background	0	0%
White: British	43	51.81%
White: European	3	3.61%
White: Irish	3	3.61%
White: Any other White background	1	1.20%
Other ethnic group: Gypsy/Romany/Irish Traveller	0	0%
Other ethnic group: Any other ethnic group	0	0%
Prefer not to say	15	18.07%
Not Answered	4	4.82%

Question 10: Age:

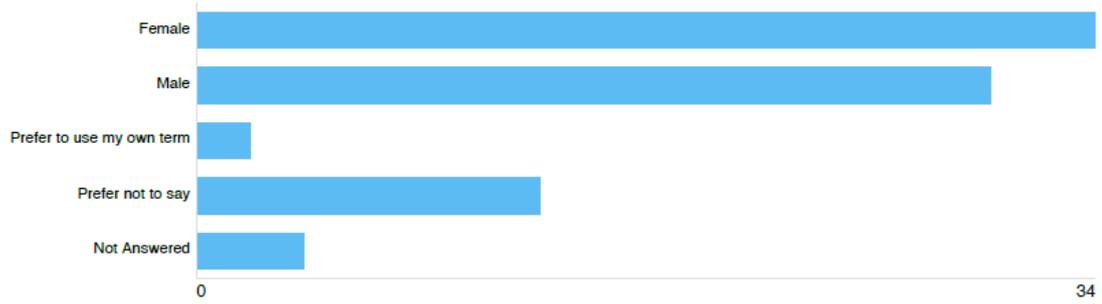
Age



Option	Total	Percent
under 18	0	0%
18 - 25	1	1.20%
26 - 35	7	8.43%
36 - 45	16	19.28%
46 - 55	25	30.12%
56 - 65	13	15.66%
66+	7	8.43%
Prefer not to say	10	12.05%
Not Answered	4	4.82%

Question 11: What is your gender identity?

Gender

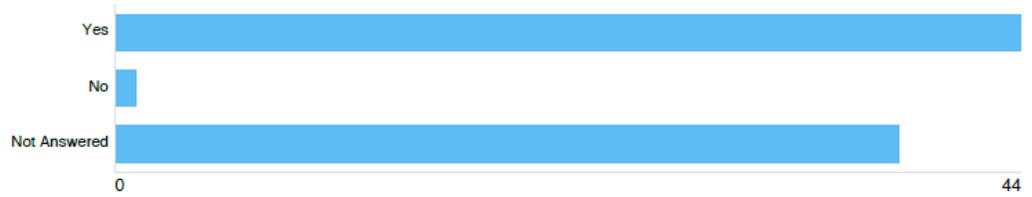


Option	Total	Percent
Female	34	40.96%
Male	30	36.14%
Prefer to use my own term	2	2.41%
Prefer not to say	13	15.66%
Not Answered	4	4.82%

Other gender

There were 2 responses to this part of the question.

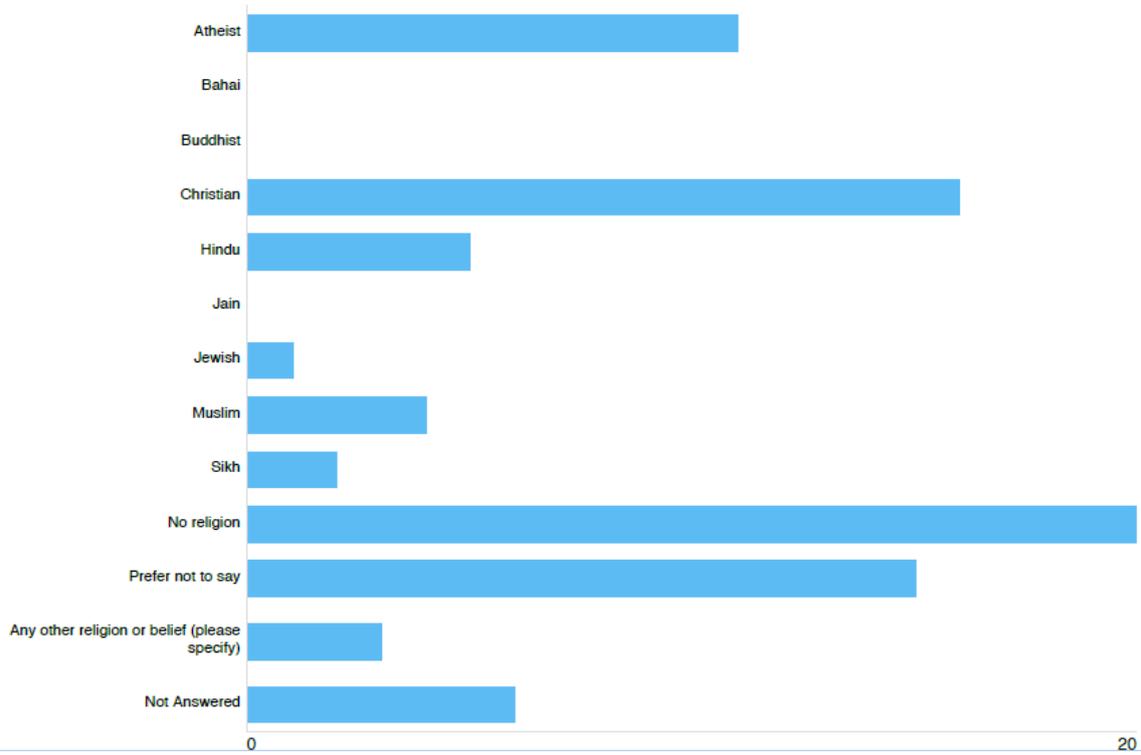
gender ID same as birth



Option	Total	Percent
Yes	44	53.01%
No	1	1.20%
Not Answered	38	45.78%

Question 12: How would you define your religion or belief?

religion



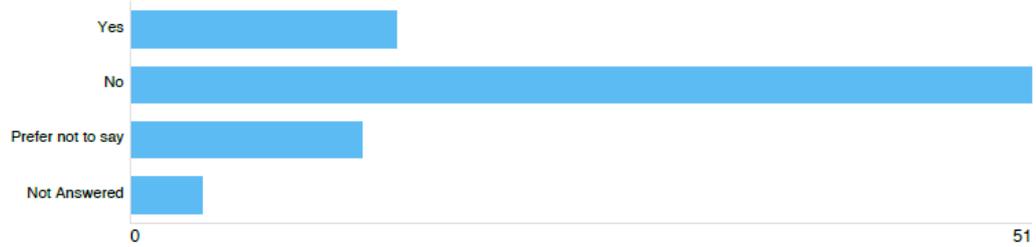
Option	Total	Percent
Atheist	11	13.25%
Bahai	0	0%
Buddhist	0	0%
Christian	16	19.28%
Hindu	5	6.02%
Jain	0	0%
Jewish	1	1.20%
Muslim	4	4.82%
Sikh	2	2.41%
No religion	20	24.10%
Prefer not to say	15	18.07%
Any other religion or belief (please specify)	3	3.61%
Not Answered	6	7.23%

other religion

There was 1 response to this part of the question.

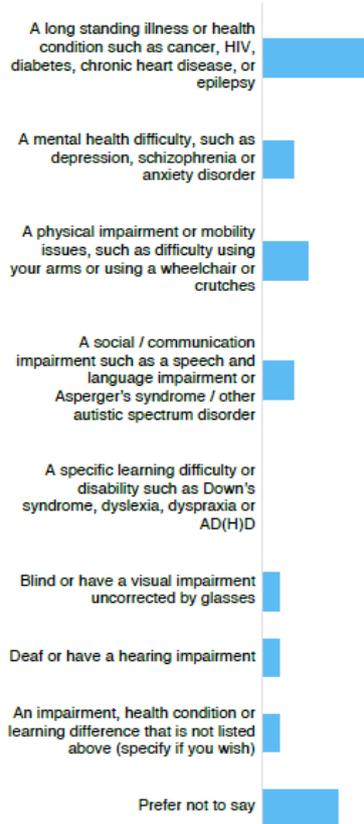
Question 13: Disability

Q7



Option	Total	Percent
Yes	15	18.07%
No	51	61.45%
Prefer not to say	13	15.66%
Not Answered	4	4.82%

Disability detail



Option	Total	Percent
A long standing illness or health condition such as cancer, HIV, diabetes, chronic heart disease, or epilepsy	7	8.43%
A mental health difficulty, such as depression, schizophrenia or anxiety disorder	2	2.41%
A physical impairment or mobility issues, such as difficulty using your arms or using a wheelchair or crutches	3	3.61%
A social / communication impairment such as a speech and language impairment or Asperger's syndrome / other autistic spectrum disorder	2	2.41%
A specific learning difficulty or disability such as Down's syndrome, dyslexia, dyspraxia or AD(H)D	0	0%
Blind or have a visual impairment uncorrected by glasses	1	1.20%
Deaf or have a hearing impairment	1	1.20%
An impairment, health condition or learning difference that is not listed above (specify if you wish)	1	1.20%
Prefer not to say	5	6.02%
Other	2	2.41%
Not Answered	62	74.70%

Other disability

There were 3 responses to this part of the question.

Equality Impact Assessment (EIA) Template: Service Reviews/Service Changes

Title of spending review/service change/proposal	Council Tax Empty Property Premiums (Consultation)
Name of division/service	Revenues & Customer Support, Finance
Name of lead officer completing this assessment	James Rattenberry, Principal Policy Officer
Date EIA assessment completed	18 October 2018
Decision maker	City Mayor
Date decision taken	30 October 2018

EIA sign off on completion:	Signature	Date
Lead officer	James Rattenberry	18 October 2018
Equalities officer	Hannah Watkins	26 October 2018
Divisional director	Alison Greenhill	1 November 2018

Please ensure the following:

- (a) That the document is understandable to a reader who has not read any other documents, and explains (on its own) how the Public Sector Equality Duty is met. This does not need to be lengthy, but must be complete.

- (b) That available support information and data is identified and where it can be found. Also be clear about highlighting gaps in existing data or evidence that you hold, and how you have sought to address these knowledge gaps.
- (c) That the equality impacts are capable of aggregation with those of other EIAs to identify the cumulative impact of all service changes made by the council on different groups of people.

1. Setting the context

Describe the proposal, the reasons it is being made, and the intended change or outcome. Will current service users' needs continue to be met?

From April 2019 local authorities are anticipated to be granted new powers to increase Council Tax Premiums on homes left empty and substantially unfurnished for over two years. These new powers are expected to help reduce the number of long-term empty domestic properties and bring them back into use through sale or renting. The Council is looking to implement the following changes to take advantage of these new powers and reduce the number of empty homes in the city:

- (a) To introduce an increased premium of 100% from 2019/20 for properties which have been vacant for two or more years;
- (b) To introduce an increased premium of 200% from 2020/21 for properties which have been vacant for five or more years;
- (c) To introduce an increased premium of 300% from 2021/22 for properties which have been vacant for ten or more years

The changes also fall in line with the Council's current strategy based on the ongoing budget cuts. Higher premiums will lead to an increase in the Council's income and a small corresponding improvement in the Council's financial situation.

2. Equality implications/obligations	
Which aims of the Public Sector Equality Duty (PSED) are likely be relevant to the proposal? In this question, consider both the current service and the proposed changes.	
	Is this a relevant consideration? What issues could arise?
<p>Eliminate unlawful discrimination, harassment and victimisation</p> <p>How does the proposal/service ensure that there is no barrier or disproportionate impact for anyone with a particular protected characteristic?</p>	Some respondents indicated a potentially discriminatory impact, for example an inability to renovate properties due to disability. Properties put on the market as a result of the change will be available to all.
<p>Advance equality of opportunity between different groups</p> <p>How does the proposal/service ensure that its intended outcomes promote equality of opportunity for users? Identify inequalities faced by those with specific protected characteristic(s).</p>	The changes will affect landlords with empty homes, of any background, equally. Consultation responses indicated a demographic broadly proportionate to the city population in terms of protected characteristics. Properties put on the market as a result of the change will be available to all.
<p>Foster good relations between different groups</p> <p>Does the service contribute to good relations or to broader community cohesion objectives? How does it achieve this aim?</p>	The new powers are expected to reduce the number of long-term empty properties and bring them into use through sale or renting. This should see increased more people in their own properties and likely possessing a better standard of living leading to a more cohesive community for Leicester.

3. Who is affected?

Outline who could be affected, and how they could be affected by the proposal/service change. Include current service users and those who could benefit from but do not currently access the service.

Landlords who possess empty homes will be directly impacted by the changes. Those who possess multiple homes that have been kept empty for a substantial period of time will be most affected as the charge increases over time. This impact could potentially increase their monthly costs significantly and could potentially encourage them to sell the property rather than risk paying the newer premium.

Those actively seeking accommodation, either through buying or renting are likely to be positively impacted by the proposed changes. The newer premium is designed to encourage landlords to fill their empty homes. This change will mean more choice for home seekers and may also lower the price of renting or buying within Leicester as supply increases in relation to demand.

4. Information used to inform the equality impact assessment

What **data, research, or trend analysis** have you used? Describe how you have got your information and what it tells you. Are there any gaps or limitations in the information you currently hold, and how you have sought to address this, e.g. proxy data, national trends, etc.

Research into empty homes within Leicester using Civica Open revenues has identified 346 properties where a premium is being levied at the current maximum of 50%. Of these 346, 222 will have been empty for 5 years or more by April 2020, and 92 will have been empty for 10 years or more by April 2021. The data thus shows the proposed changes will impact a relatively small number of individuals, albeit potentially significantly as approximately two thirds of them would be given a 200% premium charge by 2020.

The financial benefit for the council has been estimated, assuming the premium does not result in some of these properties becoming occupied. It is predicted the council could raise a further £229,000 (£458,000 in total) in 2019/20 with the proposed changes.

5. Consultation

What **consultation** have you undertaken about the proposal with current service users, potential users and other stakeholders?
What did they say about:

- What is important to them regarding the current service?
- How does (or could) the service meet their needs?
- How will they be affected by the proposal? What potential impacts did they identify because of their protected characteristic(s)?
- Did they identify any potential barriers they may face in accessing services/other opportunities that meet their needs?

A consultation was carried out between 17 September 2018 and 14 October 2018. This consultation was open to all the public, but targeted especially landlords with a focus on those who are already paying the Empty Homes Premium. The responses to the consultation have been assessed which should allow the council to gauge the impact of the proposed changes and any issues that may have not previously been identified.

6. Potential equality Impact

Based on your understanding of the service area, any specific evidence you may have on service users and potential service users, and the findings of any consultation you have undertaken, use the table below to explain which individuals or community groups are likely to be affected by the proposal because of their protected characteristic(s). Describe what the impact is likely to be, how significant that impact is for individual or group well-being, and what mitigating actions can be taken to reduce or remove negative impacts.

Looking at potential impacts from a different perspective, this section also asks you to consider whether any other particular groups, especially vulnerable groups, are likely to be affected by the proposal. List the relevant that may be affected, along with their likely impact, potential risks and mitigating actions that would reduce or remove any negative impacts. These groups do not have to be defined by their protected characteristic(s).

Protected characteristics	Impact of proposal: Describe the likely impact of the proposal on people because of their protected characteristic and how they may be affected. Why is this protected characteristic relevant to the proposal? How does the protected characteristic determine/shape the potential impact of the proposal?	Risk of negative impact: How likely is it that people with this protected characteristic will be negatively affected? How great will that impact be on their well-being? What will determine who will be negatively affected?	Mitigating actions: For negative impacts, what mitigating actions can be taken to reduce or remove this impact? These should be included in the action plan at the end of this EIA.
Age¹	Young people looking to join the property ladder or rent an affordable property may also be affected as more empty properties are made available.	Risk of negative impact due to age limited, only 8% of respondents were of pensionable age.	N/A

¹ Age: Indicate which age group is most affected, either specify general age group - children, young people working age people or older people or specific age bands

Disability²	A relatively high proportion of respondents identified as disabled (18%), including 9% with a chronic health condition.	The key issues that were raised during the consultation were circumstances where owners are unable to manage their affairs or circumstances where disability prompts a sudden unexpected need to change property and reduces ability to do the work required to empty the initial property. The respondents suggested that there should be mitigations in place to ensure that those with the protected characteristic of disability are not disproportionately disadvantaged by the proposals.	By providing two years within which the property can be empty and unfurnished where the premium will not apply, the potential for negative impact will be reduced, as this will allow a time period within which to make arrangements should an unexpected need to change property arising from a disability occur. In terms of an application to the court of protection for a deputyship where an individual is no longer able to manage their own affairs - The application process can be quite lengthy. For standard applications, the court aims to notify you of their decision within 16 weeks of receiving it. However, in more complex cases, or where the court needs to clarify information, it can take a lot longer than this. Sometimes there can be delays prior to sending the application to Court so this should be factored into decision making

² Disability: if specific impairments are affected by the proposal, specify which these are. Our standard categories are on our equality monitoring form – physical impairment, sensory impairment, mental health condition, learning disability, long standing illness or health condition.

			as to whether the 2 year time period where the property is empty and unfurnished and the premium does not apply, will reduce or remove the disproportionate negative impact that may be experienced in relation to the protected characteristic of disability or whether any additional mitigations (for example, additional exemptions) are required.
Gender Reassignment³	No disproportionate impact is attributable specifically to this characteristic.	N/A	N/A
Marriage and Civil Partnership	No disproportionate impact is attributable specifically to this characteristic.	N/A	N/A
Pregnancy and Maternity	No disproportionate impact is attributable specifically to this characteristic.	N/A	N/A
Race⁴	No disproportionate impact is attributable specifically to this characteristic. Respondents matched the ethnic demographic	N/A	N/A

³ Gender reassignment: indicate whether the proposal has potential impact on trans men or trans women, and if so, which group is affected.

⁴ Race: given the city's racial diversity it is useful that we collect information on which racial groups are affected by the proposal. Our equalities monitoring form follows ONS general census categories and uses broad categories in the first instance with the opportunity to identify more specific racial groups such as Gypsies/Travellers. Use the most relevant classification for the proposal.

	of Leicester more generally.		
Religion or Belief⁵	No disproportionate impact is attributable specifically to this characteristic.	N/A	N/A
Sex⁶	No disproportionate impact is attributable specifically to this characteristic.	N/A	N/A
Sexual Orientation⁷	No disproportionate impact is attributable specifically to this characteristic.	N/A	N/A
<p>Summarise why the protected characteristics you have commented on, are relevant to the proposal? Generally, young people are currently finding it difficult to find affordable properties to live in across the country. The changes proposed are expected to ensure empty homes are made available for sale or renting. This increase in choice will provide additional options for young people seeking a home and may make homes within Leicester more affordable as supply increases. Age is thus a protected characteristic relevant to the proposal.</p> <p>The consultation results indicated that disability is also relevant to the proposal as people felt that there should be mitigations in place for owners who are unable to manage their affairs or circumstances where disability prompts a sudden unexpected need to change property and reduces ability to do the work required to empty the initial property.</p> <p>Summarise why the protected characteristics you have not commented on, are not relevant to the proposal?</p>			

⁵ Religion or Belief: If specific religious or faith groups are affected by the proposal, our equalities monitoring form sets out categories reflective of the city's population. Given the diversity of the city there is always scope to include any group that is not listed.

⁶ Sex: Indicate whether this has potential impact on either males or females

⁷ Sexual Orientation: It is important to remember when considering the potential impact of the proposal on LGBT communities, that they are each separate communities with differing needs. Lesbian, gay, bisexual and transgender people should be considered separately and not as one group. The gender reassignment category above considers the needs of trans men and trans women.

No impacts relating to all other protected characteristics have been identified

Other groups	Impact of proposal: Describe the likely impact of the proposal on children in poverty or any other people who we consider to be vulnerable. List any vulnerable groups likely to be affected. Will their needs continue to be met? What issues will affect their take up of services/other opportunities that meet their needs/address inequalities they face?	Risk of negative impact: How likely is it that this group of people will be negatively affected? How great will that impact be on their well-being? What will determine who will be negatively affected?	Mitigating actions: For negative impacts, what mitigating actions can be taken to reduce or remove this impact for this vulnerable group of people? These should be included in the action plan at the end of this EIA.
Children in poverty	Potential positive outcome for children in low income families.	More housing may become available for households with an income of less than 60% of the national average.	Potential positive impact identified.
Other vulnerable groups	Homeless people or those with housing issues and/or financial disadvantages may be able to take advantage of any empty homes being made available.	Potential positive impact	Potential positive impact
Other (describe)			

7. Other sources of potential negative impacts
 Are there any other potential negative impacts external to the service that could further disadvantage service users over the next three years that should be considered? For example, these could include: other proposed changes to council services that would affect the same group of service users; Government policies or proposed changes to current provision by public agencies (such

as new benefit arrangements) that would negatively affect residents; external economic impacts such as an economic downturn.

8. Human Rights Implications

Are there any human rights implications which need to be considered (please see the list at the end of the template), if so please complete the Human Rights Template and list the main implications below:

No negative human rights implications foreseen.

9. Monitoring Impact

You will need to ensure that monitoring systems are established to check for impact on the protected characteristics and human rights after the decision has been implemented. Describe the systems which are set up to:

- monitor impact (positive and negative, intended and unintended) for different groups
- monitor barriers for different groups
- enable open feedback and suggestions from different communities
- ensure that the EIA action plan (below) is delivered.

An equalities monitoring form was included within the consultation. This has enabled us to check that responses were broadly representative of the demographics of Leicester and in identifying potential problems or issues relating to different groups of people. The consultation was open to all members of public - opinions and insight were accepted from individuals of any background.

We will be able to monitor the impact through complaints/challenges to the premium being applied, and through analysis of feedback received by the Service area.

10. EIA action plan

Please list all the equality objectives, actions and targets that result from this Assessment (continue on separate sheets as necessary). These now need to be included in the relevant service plan for mainstreaming and performance management purposes.

Equality Outcome	Action	Officer Responsible	Completion date
Mitigating disproportionate impacts, particularly relating to disability.	Introduction of exemptions on a discretionary basis incorporating personal circumstances relating to protected characteristics.	James Rattenberry	15 November 2018
Monitoring to ensure no disproportionate impacts when policy is in place	Monitoring to ensure outcomes as outlined above.	Ashok Thakrar	1 April 2019 and ongoing

Human Rights Articles:

Part 1: The Convention Rights and Freedoms

- Article 2:** Right to Life
- Article 3:** Right not to be tortured or treated in an inhuman or degrading way
- Article 4:** Right not to be subjected to slavery/forced labour
- Article 5:** Right to liberty and security
- Article 6:** Right to a fair trial
- Article 7:** No punishment without law
- Article 8:** Right to respect for private and family life
- Article 9:** Right to freedom of thought, conscience and religion
- Article 10:** Right to freedom of expression
- Article 11:** Right to freedom of assembly and association
- Article 12:** Right to marry
- Article 14:** Right not to be discriminated against

Part 2: First Protocol

- Article 1:** Protection of property/peaceful enjoyment

Article 2: Right to education

Article 3: Right to free elections