

Sunderland City Council
Integrated Impact Assessment

Associated guidance for this document can be found [here](#). Each section has a link to the relevant section within the guidance document.

1 Details of the activity (i.e. the policy, strategy, service, project or function)

1.1 Directorate	Finance
1.2 Service	Revenues

1.3 Title of the activity (i.e. the policy, strategy, service, project or function):
Council Tax discounts and premiums

1.4 Brief description of the activity:
It is proposed to review the council tax discounts and premiums applicable to empty homes and second homes following recent amends to the legislation (Local Government Finance Act 1992) under the Levelling-Up and Regeneration Act 2023.

1.5 If the activity involves working with other directorates, partners or joint commissioning please state who is involved:
n/a but supports Health, Housing and Communities in bringing empty homes back into use.

1.6 Will all or part of the activity be delivered through a provider external to the Council? If Yes, please refer to the Corporate Procurement Processes
No

1.7 If Yes, please explain what element(s) of the activity will be delivered through an external provider:

1.8 Which areas of the city will be impacted?	
Whole City	<input checked="" type="checkbox"/>
Coalfield	<input type="checkbox"/>
East	<input type="checkbox"/>
North	<input type="checkbox"/>
Washington	<input type="checkbox"/>
West	<input type="checkbox"/>
Internal Council Activity – Impact on employees	<input type="checkbox"/>

1.9 Is the activity targeted at protected characteristics or any other key groups?	
All of the below	<input type="checkbox"/>
Age (e.g. older people, younger people/children, a specific age group)	<input type="checkbox"/>
Disability (e.g. mobility, long term health conditions, sensory impairment or loss, learning disability, neurological diversity or mental health)	<input type="checkbox"/>
Marriage and civil partnership	<input type="checkbox"/>
Pregnancy and maternity (including breastfeeding)	<input type="checkbox"/>
Race	<input type="checkbox"/>
Religion or belief (including no belief)	<input type="checkbox"/>
Sex	<input type="checkbox"/>
Gender reassignment	<input type="checkbox"/>
Sexual orientation	<input type="checkbox"/>
Human Rights	<input type="checkbox"/>
Care Experienced People	<input type="checkbox"/>
Other vulnerable groups and people with complex needs (e.g. veterans, children and young people who are cared for or care experienced, carers, domestic abuse victims and survivors, ex-offenders etc.)	<input type="checkbox"/>
People vulnerable to socio-economic deprivation (e.g. unemployed, low income, living in deprived areas, poor/no accommodation, low skills, low literacy etc.)	<input type="checkbox"/>

Please complete the Completed By and Version Table below

Completed by:	Sharon Holden
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Version	Status	Author	Comments	Date Issued
1.0		S. Holden		22/02/2024

2 Data and Intelligence

[Guidance for this section](#)

2.1 What data and intelligence has informed the activity?

Data from council tax records has been analysed to identify the potential number of properties that may be impacted by any change to the level of council tax discounts and premiums applied to empty properties and second homes. The policy is also being reviewed following amendments arising from the Levelling-Up and Regeneration Act 2023 in relation to the legislation governing council tax administration namely the Local Government Finance Act 1992.

The number of properties and the specific individual properties will vary over time relevant to their individual circumstances. The premiums will be consistently applied in line with the legislation to all properties.

2.2 Summary of data / intelligence / consultation outcomes to inform understanding of differences in:

- the way people use, access or experience your activity;
- how the activity may impact; and/or
- outcomes for different groups?

Council tax is payable on all properties within the Valuation List within the boundary of the City of Sunderland. As at 22 Feb 2024 there are 133,999 properties. Not all properties will be occupied at all times and there is a continuous churn of properties becoming unoccupied and reoccupied due to properties being sold or tenants moving in and out of properties, or just held empty for other reasons e.g second homes. Council tax legislation allows for a billing authority to have a scheme for discounts or premiums to be applied to empty properties and those properties which are unoccupied and furnished (second homes).

In light of recent new legislation (Levelling-up and Regeneration Act 2023), it is proposed to review the level of discounts and premiums charged in respect of empty properties and to be consistent with the approach adopted by other councils in the region who have already abolished some empty homes discounts and / or adopting the premiums in line with the Levelling-Up and Regeneration Act 2023.

Currently a Class C discount of 25% is awarded to properties which are unoccupied and substantially unfurnished for up to six months. If the property is reoccupied within a calendar month a Class C1 discount of 100% is awarded. As at February 2024, there are c. 1,000 properties within these 2 categories.

There is also a Class D discount of 25% for up to 12 months for a property that is unoccupied and substantially unfurnished and which is awarded to properties which require or are undergoing major repair work or structural alteration or has undergone major repair work to make it habitable and less than six months have elapsed since the completion of the works. As at February 2024, there are 18 properties in receipt of this discount.

It is proposed to change the discount to 0% for Class C, C1 and Class D with effect from 1 April 2025, subject to consideration of the outcome an online public consultation and subsequent consideration by Cabinet. There are no groups with protected characteristics who will be affected more than another as the proposed changes will affect those persons responsible to pay council tax on empty properties who satisfy the above criteria and is intended to encourage residents to bring their empty properties back into use

In respect of properties which are unoccupied and furnished, a charge of 100% currently applies. The Levelling-up and Regeneration Act 2023 enables billing authorities to charge up to 100% extra of the standard council tax bill that would be payable if the property was occupied by two adults and no discounts were applicable. The legislation requires councils to give one year's notice of this change and therefore it is proposed to introduce the additional charge from 1 April 2025. As at February 2024 there are 880 properties who are paying for an unoccupied, furnished property.

The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 gave councils the ability to charge additional premiums on long term empty properties. For the purposes of council tax, a 'long-term empty home' is currently defined as a dwelling which has been unoccupied and substantially unfurnished for a continuous period of at least 2 years. The maximum council tax premium that billing authorities can apply is:

- up to 100% for properties empty for 2-5 years
- up to 200% for properties empty for 5-10 years
- up to 300% for properties empty for 10+ years

The Levelling-up and Regeneration Act 2023 amended the definition of the duration of a 'long term empty dwelling' from two years to one year enabling billing authorities to charge the 100% premium a year earlier. It is therefore proposed to introduce the premium after a property has been unoccupied and substantially unfurnished for one year or more. As at February 2024, there would be 864 properties which would become subject to the additional premium if this proposal was accepted.

Last summer, Government consulted in respect of proposals to prescribe classes of property which would be exceptions to the council tax premiums as it acknowledged that there would be circumstances

when it would not be appropriate for the premiums to apply. The consultation closed on 31st August 2023 but as yet the outcome has not yet been published but some of the major ones where it is being considered to give additional time before imposing a premium are

1. Properties which have undergone probate and the future use of the property is being determined.
2. Properties actively being marketed for sale or let
3. Properties undergoing major repairs

Not all current long term empty properties will therefore be liable to an additional premium should the Council adopt the proposals put forward by the Government to exempt dwellings which fulfil specified criteria.

3 Equality and Human Rights

[Guidance for this section](#)

3.1 Eliminate discrimination, harassment and victimisation

What impact will the activity have?

Not Applicable

Explain how/why:

3.2 Advance equality of opportunity between people who share a protected characteristic and those who do not

What impact will the activity have?

Not Applicable

Explain how/why:

3.3 Foster good relations between people who share a protected characteristic and those who do not

What impact will the activity have?

Not Applicable

Explain how/why:

3.4 Age (older ages, children and young people, middle ages, an age range or a specific age)

What impact will the activity have?

Not Applicable

Explain how/why:

3.5 Disability (mobility, long-term health conditions, sensory, learning disability, neurological diversity or mental health)

What impact will the activity have?

Not Applicable

Explain how/why:

3.6 Gender reassignment (the process of transitioning from one sex to another)
What impact will the activity have?
Not Applicable
Explain how/why:

3.7 Marriage and Civil Partnership
What impact will the activity have?
Not Applicable
Explain how/why:

3.8 Pregnancy and maternity (including breastfeeding)
What impact will the activity have?
Not Applicable
Explain how/why:

3.9 Race (colour, ethnicity, country of origin, culture, etc.)
What impact will the activity have?
Not Applicable
Explain how/why:

3.10 Religion / Belief (including no belief)
What impact will the activity have?
Not Applicable
Explain how/why:

3.11 Sex (male or female)
What impact will the activity have?
Not Applicable
Explain how/why:

3.12 Sexual orientation
What impact will the activity have?
Not Applicable
Explain how/why:

3.13 Will the activity impact on an individual's Human Rights as enshrined in UK law?
What impact will the activity have?
Not Applicable
Explain how/why:

3.14 Other vulnerable groups and people with complex needs (e.g. veterans, children and young people cared for and care experienced, carers, domestic abuse victims and survivors, ex-offenders, homeless or multiple complexities/characteristics)
What impact will the activity have?
Not Applicable
Explain how/why:

4 Reducing socio-economic and digital inequalities

[Guidance for this section](#)

Will the activity:

4.1 Impact on residents' financial circumstances	Negative
4.2 Impact on housing, including type, range, affordability, quality and/or condition	Positive
4.3 Impact on digital inclusion or access	Not Applicable
4.4 Impact on education, skills and lifelong learning	Not Applicable
4.5 Impact on employment, including quality and access	Not Applicable

4.6 Outline the impact your activity will have, including how you propose to mitigate any negative impacts and maximise positive outcomes
There will be a negative impact on residents' financial circumstances if they keep a property standing empty and unfurnished. The proposal is intended to encourage residents to bring empty properties back into use for the benefit of the community by increasing the housing that is available for occupation and will also benefit owners as they will either receive income from rent payments or the proceeds from a sale. There will also be exceptions as contemplated in the Government's consultation to mitigate the additional charges provided specified criteria is met. The positive impact will be in the local areas where properties are currently standing empty for long periods of time. Being encouraged to bring the properties back into use will improve local areas, owners will be encouraged to improve the quality of their properties to attract tenants or buyers and there will be better accommodation available.
4.7 Outline how you will measure the anticipated impact(s)
Assess the reduction in the number of long-term empty properties.

5 Improving population health and reducing health inequalities

[Guidance for this section](#)

Will the activity:

5.1 Help promote healthy living	Not Applicable
5.2 Help promote safe and inclusive environments	Positive
5.3 Impact on children, young people and families	Not Applicable
5.4 Impact on natural and built surroundings	Positive
5.5 Impact on accessibility and active travel encouraging active behaviours	Not Applicable
5.6 Impact on living independently	Not Applicable

5.7 Outline the impact your activity will have, including how you propose to mitigate any negative impacts and maximise positive outcomes
Large concentrations of empty and second homes in particular areas can impact on the vitality and viability of local communities. For example, the existence of large numbers of empty homes can contribute to housing supply pressures, whilst also reducing the desirability of local areas and increase the risk of anti-social behaviour. Introducing a policy which will help encourage the owners of these properties to bring them back into use will benefit the whole community in these areas and make places

safer and more attractive to live.

5.8 Outline how you will measure the anticipated impact(s)

Assess the reduction in the number of long-term empty properties

6 Carbon reduction and sustainability

[Guidance for this section](#)

Will the activity:

6.1 Adapting our behaviour (environmentally significant)	Not Applicable
6.2 Impact on biodiversity and natural environment	Not Applicable
6.3 Impact on energy efficient built environment	Not Applicable
6.4 Impact on renewable energy generation and storage	Not Applicable
6.5 Impact on travel and active transport	Not Applicable
6.6 Impact on the green economy	Not Applicable
6.7 Impact on waste, recycling and consumption	Not Applicable

6.8 Outline the impact your activity will have, including how you propose to mitigate any negative impacts and maximise positive outcomes

6.9 Outline how you will measure the anticipated impact(s)

7 Community wealth building

[Guidance for this section](#)

Will the activity:

7.1 Impact on community wealth and social value	Not Applicable
7.2 Impact on social inclusion, integration, and fostering good relations	Not Applicable
7.3 Impact on crime reduction, anti-social behaviour and community safety	Positive
7.4 Impact on access to services	Not Applicable

7.5 Outline the impact your activity will have, including how you propose to mitigate any negative impacts and maximise positive outcomes

The proposed policy should encourage owners of long-term empty properties to bring them back into use sooner and this will hopefully provide for improved areas where residents can live and thrive. It should also bring reductions in the level of crime, anti-social behaviour and community safety in areas which empty properties tend to attract

7.6 Outline how you will measure the anticipated impact(s)

Assess the reduction in the number of long-term empty properties.

8 Key Actions

Any key actions identified throughout the IIA should be recorded here. This will be the action plan linked to your activity and should be implemented to ensure all inequalities or negative impacts are mitigated.

Key Actions	Timescale	Responsible Officer	Review Date
Assess the reduction in the number of long-term empty properties	2025/2026	S. Holden	30/09/2025

Please complete the Responsible Officer information below

Responsible officer sign off:	
Name	Sharon Holden
Job Title	Revenues Manager
Responsible officer for reviewing actions:	
Name	Paul Wilson
Job Title	Director of Finance

To support the council's reporting processes in relation to IIA, please use the following naming convention: IIA_(Name_of_activity).

Once you have completed the IIA and it is signed off, please send the final document as an **attachment** to: IIA@sunderland.gov.uk

IIAs will be stored in this central database for corporate analysis. **No feedback will be returned on an individual basis as IIAs are received.**