

DRAFT - Supporting Information and Impact Assessment

Service / Policy:	Council Tax, Removal of 100% Empty and Unfurnished Discount.
Executive Lead:	Councillor Haddock, Executive Lead for Customer Services
Director / Assistant Director:	Anne-Marie Bond

Version:	2	Date:	January 2019	Author:	Darryl Jones
----------	---	-------	--------------	---------	--------------

Section 1: Background Information	
1.	<p>What is the proposal / issue?</p> <p>Currently, the Council awards a discretionary 100% discount for one month for properties which become unoccupied and unfurnished. The discount does not apply to properties that are furnished.</p> <p>The proposal is to remove this discretionary discount with effect from 1 April 2019.</p>
2.	<p>What is the current situation?</p> <p>Currently, if a resident is liable for council tax on a property and this property is or becomes unoccupied <u>and</u> unfurnished, then for one month only the Council can apply a 100% discount for council tax, meaning the person liable does not pay council tax against that property for a month. This is a discretionary discount, and under The Local Government Finance Act 2012 Local Authorities have the power to set the level and period of discount for unoccupied and unfurnished properties.</p> <p>Other discounts, reductions and exemptions available will be unaffected by this change.</p> <p>The number of unique accounts which were awarded this discounted in 2017/18 was 6,225, this reflected changed in liability on 5,410 addresses.</p> <p>The removal of this discretionary discount is expected to raise £200k each year in Council Tax revenue for the Council.</p> <p>There will no significant implementation costs associated with this proposal.</p>

<p>3.</p>	<p>What options have been considered?</p> <p>Keeping the discount in place, or removing it as proposed have been considered.</p>
<p>4.</p>	<p>How does this proposal support the ambitions and principles of the Corporate Plan 2015-19?</p> <p>This proposal supports the corporate plan principal of using resources to best effect.</p>
<p>5.</p>	<p>Who will be affected by this proposal and who do you need to consult with?</p> <p>This proposal would affect Council Tax payers within Torbay who would have otherwise been entitled to this discount.</p> <p>In 2017/18 6,225 unique accounts were awarded this discretionary discount, reflecting changes in 5,410 properties.</p> <p>Examples of the main groups who could be affected by this proposal are landlords when their properties become vacant and people who are selling properties they have already moved out of, or are buying properties which are not habitable immediately.</p> <p>The removal of this discount will not affect other discounts, reductions and exemptions which may apply to Council Tax. These include:</p> <ul style="list-style-type: none"> • Local Council Tax Support, for residents on low income • Single Person Discount • Exemption from Council Tax where the sole occupier deceased, or the property is awaiting the grant of probate • Exemption from Council Tax where the sole resident has vacated the property and is living elsewhere to receive care due to old age, illness, disablement, or past or present drug or alcohol dependence.
<p>6.</p>	<p>How will you propose to consult?</p> <p>We will consult via an online consultation survey as part of the 2019/2020 Budget Consultation for 6 weeks. This will be made available via Torbay Council's website.</p> <p>We will promote the consultation through social media communications, as well as through landlord associations.</p>

Section 2: Implications and Impact Assessment

7.	<p>What are the financial and legal implications?</p> <p>The removal of this discount is expected to raise £200K per year.</p> <p>The Local Government Finance Act 2012 grants Local Authorities the power to set the level and period of discount for unoccupied and unfurnished properties.</p> <p>There are no significant costs associated with implementing this change.</p>			
8.	<p>What are the risks?</p> <p>If this proposal is not approved and the discretionary discount continues to be applied budget reductions totalling £200k would have to be made elsewhere within the Council budget.</p>			
9.	<p>Public Services Value (Social Value) Act 2012</p> <p>Not applicable.</p>			
10.	<p>What evidence / data / research have you gathered in relation to this proposal?</p> <p>Analysis of the value of discount awarded in previous years. In 2017/18 6,225 unique accounts were awarded this discretionary discount, reflecting changes in 5,410 properties.</p> <p>Research of other comparable Local Authorities identified examples where no discount is awarded for this class of property. Examples include Bournemouth and Bath & North East Somerset.</p>			
11.	<p>What are key findings from the consultation you have carried out?</p> <p>Public consultation on this proposal to remove Discretionary Council Tax Discount started on 27 November 2018 and closed on 9 January 2018. It was communicated to the Torbay community via a press release to local newspapers (Herald Express & Western Morning News), local radio and by posts made on Twitter and Facebook. There were 14 responses.</p> <table border="1" data-bbox="352 2002 1426 2072"> <tr> <td data-bbox="352 2002 644 2072"></td> <td data-bbox="644 2002 1034 2072">Do you agree with this proposal?</td> <td data-bbox="1034 2002 1426 2072">Do you feel this proposal will impact on you?</td> </tr> </table>		Do you agree with this proposal?	Do you feel this proposal will impact on you?
	Do you agree with this proposal?	Do you feel this proposal will impact on you?		

	Number	Percent		
Yes	5	35.7%	5	35.7%
No	9	64.3%	9	64.3%
No answer	0	0.0%	0	0.0%
Total	14	100%	14	100%

There were no comments from respondents regarding this proposal.

12. Amendments to Proposal / Mitigating Actions

There are no amendments proposed.

Equality Impacts

13	Identify the potential positive and negative impacts on specific groups			
		Positive Impact	Negative Impact & Mitigating Actions	Neutral Impact
	Older or younger people			Under 18s and students are exempt from paying Council Tax, so they will not be affected by this proposal.
	People with caring Responsibilities	No differential impact		
	People with a disability	No differential impact		
	Women or men	No differential impact		
	People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i>	No differential impact		

Religion or belief (including lack of belief)	No differential impact		
People who are lesbian, gay or bisexual	No differential impact		
People who are transgendered	No differential impact		
People who are in a marriage or civil partnership	No differential impact		
Women who are pregnant / on maternity leave	No differential impact		
Socio-economic impacts (Including impact on child poverty issues and deprivation)			This proposal will not impact upon the existing Council Tax Support scheme, the exceptional hardship scheme for Council Tax, or any other existing Council Tax reductions

	Public Health impacts (How will your proposal impact on the general health of the population of Torbay)	No differential impact
14	Cumulative Impacts – Council wide (proposed changes elsewhere which might worsen the impacts identified above)	As part of the budget consultation Torbay Council is proposing to increase Council Tax by 2.99% from April 2019.
15	Cumulative Impacts – Other public services (proposed changes elsewhere which might worsen the impacts identified above)	None known at this time.