

Assessing the Impact on Protected Characteristics, the Welsh Language and Socio-Economic Disadvantage

For help to complete this form see the *How to Undertake an Equality Impact Assessment* leaflet. You are also welcome to contact Delyth Gadlys Williams, Policy and Equality Officer on ext. 32708 or DelythGadlysWilliams@gwynedd.llyw.cymru for further assistance.

The Council's is required (under the Equality Act 2010) to consider the effect any change in policy or procedure (or the creation of a new policy or procedure), has on people with protected equality characteristics. The Council also has a general duty to ensure fairness and foster good relations. A timely Equality Impact Assessment must be undertaken before making any decision on any relevant change (i.e. which has an effect on people with protected characteristics).

The Council is also required, under the requirements of the Welsh Language Standards (Section 44 of the Welsh Language (Wales) Measure 2011) to consider the effect of a change in any policy or procedure (or the creation of a new policy or procedure), in its opportunities for people to use Welsh and to ensure that Welsh is not treated less favourably than English. This document therefore ensures that these decisions protect and promote the use of the Welsh language.

From April 1st 2021 the Council has a duty to have due regard to tackling socio-economic disadvantage in strategic decisions.

1) Details

1.1. What is the name of the policy / service in question?

Council Tax Reduction Policy under Section 13A(1)(c) of the Local Government Finance Act 1992

1.2 What is the purpose of the policy / service that is being created or amended? What changes are being considered?

This policy sets out the criteria and process for awarding a discretionary reduction to Council Tax under Section 13A(1)(c) of the Local Government Finance Act 1992. Its aim is to offer support to residents who are facing exceptional financial hardship or unusual circumstances.

The policy allows the Council to reduce or eliminate Council Tax in cases of:

- Individuals experiencing temporary financial hardship.
- Vulnerable groups (e.g. young people leaving care, victims of domestic abuse).
- Cases where the liability to pay Council Tax arises due to unforeseen or exceptional events.
- Any other groups defined by the Council's Cabinet to facilitate the realisation of the

- authority's objectives.
Specific cases where there is an exemption from the Council Tax Premium, but not basic Council Tax, in addition to the statutory exemptions outlined in legislation.

I.3 Who is responsible for this assessment?

Dewi Morgan, Head of Finance

I.4 When did you commence the assessment? Which version is this?

This Policy is new to ensure clarity around discretionary reduction to Council Tax in accordance with Section 13A of the Local Government Finance Act 1992.

The Policy will be submitted to Cabinet for approval on 11 November 2025.

2) Action

2.1 Who are the stakeholders or partners you need to work with to undertake this assessment?

The key partners and stakeholders were:

Gwynedd Residents

Taxpayers on empty properties and second homes

There have been collaborations with a number of internal partners, e.g.:

Finance Department

Housing and Property Department

Corporate Services Department

Adult, Health and Well-being Department

Cyngor Gwynedd Cabinet Members

Cyngor Gwynedd Members

We have also used the public consultation on the Council Tax Premium in 2022 and the updated research work on the impact of the premium by the Research and Information Service in November 2025.

2.2 What measures have you taken to engage with people with equality characteristics, regarding the Welsh language or with communities (either of place or of need) that live with socio-economic disadvantage?

We have consulted with a number of Cyngor Gwynedd's Elected Members as well as Gwynedd taxpayers over the past few years as we have received, assessed and discussed a number of complaints and requests for exemptions to Council Tax and Premium bills.

In addition, we have used the public consultation on Council Tax Premium. That was a public consultation and the questionnaire was available for anyone to complete online. Two press releases were issued raising awareness of it, and social media was used to raise awareness.

The Council wrote to all households subject to the Premium with a letter drawing their attention to the consultation. Where the different correspondence address was recorded in the Council Tax system, this was used. The letter referred to the Council's website and the opportunity to complete the questionnaire there, but the Council's website stated that anyone could contact the Council if they wished to receive a paper copy of the consultation.

The public consultation on Council Tax Premium asked respondents to inform us of any protected features and these have been taken into account in the development of the Council Tax Reduction Policy under Section 13A.

2.3 What was the result of the engagement?

A public consultation was held between 30 September and 28 October 2022. 7,330 responses were received on the formal questionnaire, as well as around 100 separate letters and messages expressing dissatisfaction with the proposal. There were 7,277 online questionnaire responses and 53 paper responses. This is the largest number of responses the Council has seen to any consultation in recent years.

Just over half of respondents (50.3%, N=3,684) owned either a second home or a long-term empty dwelling in Gwynedd (or both).

In total, three-quarters of respondents (75.0%, N=5,497) considered it not appropriate to increase the level of Council Tax Premium on second homes. 24.1% (N=1,764) thought it was appropriate to increase it, with 0.9% (N=69) not having an opinion. However, by separating the answers between respondents who own a second home and those who do not, there is some difference of opinion with the overwhelming majority of respondents who own a second home opposing increasing the premium level. Among respondents who do not own a second home the view was more divided, but with this majority also of the opinion that it would not be appropriate to increase the premium.

Respondents' comments were sought on the impact of the Premium on a number of aspects of social issues. A number of those who opposed the increase indicated that they had owned their property in Gwynedd for several years and were very fond of the area. On the other hand, some of those responding claimed that there was a racist motive behind the intention to increase the Premium as the Council is against people from outside Gwynedd and that it is racist. No evidence was submitted to support this view.

There are two different categories of properties subject to the Premium, namely second homes and long-term empty properties.

Very few people want to pay more tax, and there was vehement opposition from second home owners in particular. It stands to reason that increasing the level of premium would have a financial impact on these individuals, but there was no evidence that any protected group would be affected. However, a number of those who have responded to the enquiry claim that the policy of raising the Premium is racist, anti-English, although no discrimination exists when setting the premium.

The consultation included an equality questionnaire. This suggested that a higher proportion of second home owners than the general population are older people.

2.4 On the basis of what other evidence are you operating?

Section 13A(1)(c) of the Local Government Finance Act 1992, gives the Council additional discretionary powers to reduce the amount of Council Tax payable for individuals, or for classes of taxpayers. A policy is needed in place to give officers clear guidance and boundaries on the use of these powers.

The evidence we have received shows that a year allowed under Class A Local Exception to renew a property is no longer sufficient, with many taxpayers in situations where the Council Tax Premium is payable before they can move into the property. This in turn puts additional financial pressure on the taxpayers on top of the significant costs they have in renovating the property. As a result, the Policy allows an additional 12 months exemption to the premium for owners seeking access to their primary or sole home.

A second home is defined by the Act as a property that is not a primary home for anyone, but has been furnished, and does not contain any provision to be able to discriminate on the basis of where the owner lives, or if it is used for holiday purposes. Although we have received a number of complaints from second home taxpayers, the Council is not in a position to allow discretionary exemptions from the Premium to a wide cohort of properties without undermining the reason for introducing the Premium in the first place. So on this basis, the policy does not offer a specific exemption for second homes, but it does allow anyone to apply for an exemption or reduction from the Premium if they can demonstrate why their situation is truly exceptional, and that the setting of the Premium contravenes Government guidance on setting the Premium. The evidence we have shows that the number of taxpayers objecting to the premium, are taxpayers who have not met the criteria in Section 66 of the Local Government Finance Act 1988 of 252/182 days and have therefore transferred from the non-domestic rates list where taxes were not payable, to the Council Tax band where they are required to pay the basic council tax and 150% of the council tax premium. This in itself is not sufficient for a case to be exceptional.

The evidence we have also states the need to assess the unique situations of Community Enterprises and the impact that Council Tax Premium has on them to operate successfully. The policy recognises this and gives them the opportunity to bring their individual cases to the panel for consideration.

2.5 Are there any gaps in the evidence that needs to be collected?

No, there are no gaps in the evidence.

3) Identifying the Impact

3.1 The Council must give due regard to the effect any changes will have on people with the equality characteristics noted below. What impact will the new policy/service or the proposed changes in the policy or service have on people with these characteristics?

Characteristics	What type of impact?*	In what way? What is the evidence?
Race (including nationality)	Positive	The policy is intended to provide support to residents facing exceptional financial hardship or unusual circumstances and the impact is positive on this cohort.
	Negative	<p>The policy does not allow optional exemptions from the Premium for second homes, but recognises that it needs to be reviewed regularly to coincide with a change in legislation. The policy may affect people from outside Gwynedd and some respondents to the public consultation on the Council Tax Premium claimed that the Premium would be racist as it targeted people from outside Wales. However, there is no consideration of the race of the property owners when a premium is charged on second homes and long-term vacant properties.</p> <p>The Premium is charged on all second homes and long-term vacant properties without discrimination in any way on where the owners live or what their race or nationality is. However, we recognise that the public consultation shows that a significant proportion of second home owners identify themselves as English and therefore it is likely that the policy will have a negative financial impact on this cohort. However, the policy allows anyone to apply for an exemption or reduction from the Premium if they are able to demonstrate why their situation is truly exceptional.</p>
Disability	Positive	There is a small possibility of differentiation indirectly on the grounds of disability if a disabled person keeps an adapted property in Gwynedd as they cannot have a holiday elsewhere. However, the policy allows anyone to apply for an exemption or reduction from the Premium if they are able to demonstrate why their situation is truly exceptional.

Sex	None	No impact has been identified
Age	Positive	<p>The policy applies to residents who are facing exceptional financial hardship or unusual circumstances and residents who are in this type of circumstances may fall into all of the age categories. Therefore, the policy can have a positive impact on people of all ages in our communities.</p> <p>The policy offers a year's extra exemption from Council tax and the Premium for first-time buyers to carry out vital restoration work – this is likely to have a positive impact most often on the young people of our society. Also, by giving owners seeking access to their main or only home an additional year of exemption from the Premium it extends the support to people of all ages in our communities.</p>
Sexual orientation	None	No impact has been identified
Religion or belief (or non-belief)	None	No impact has been identified
Gender reassignment	None	No impact has been identified
Pregnancy and maternity	None	No impact has been identified
Marriage and civil partnership	None	No impact has been identified
The Welsh language	Positive	The "Empty Property Local Exemptions" section of the policy provides an additional 12 month exemption from Council Tax and Premium (first time buyers) and a 12 month exemption from the Premium only (owners seeking access to their prospective main or sole home) where a significant renovation is carried out to the property. The policy therefore gives families living in Gwynedd the right to receive these exemptions and assists local families to stay in the area and renovate housing.
Socio-Economic Disadvantage	Positive	In establishing the Council Tax Premium in Gwynedd, the principle that the Council was eager for residents to have homes in their own communities was emphasised, in order to ensure thriving communities. It was added that housing was a priority and that it was a requirement to ensure

		<p>additional resources in order to implement the Housing Strategy.</p> <p>The Council Tax Reduction Policy offers support to those facing financial hardship as well as other groups of the community including vulnerable ones.</p>
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3.2 The Council has a duty under the 2010 Equality Act to contribute positively to a fairer society by promoting equality and good relations in its activities regarding the following characteristics – age, gender, sexual orientation, religion, race, gender reassignment, disability and pregnancy and maternity. The Council must give due attention to the way any change affects these duties.

General Duties of the Equality Act	Does it have an impact?*	In what way? What is the evidence?
Abolishing illegal discrimination, harassment and victimisation	No	
Promoting equal opportunities	Yes	Promote equal opportunities by identifying and defining a specific cohort of taxpayers or properties eligible for a reduction in Council Tax (or Premium). It can provide support to vulnerable groups within our communities including groups suffering from financial hardship or exceptional circumstances.
Encouraging good relationships	Yes	The policy can promote good relationships with Gwynedd taxpayers by reducing Council Tax for individuals experiencing financial hardship or those in unexpected or exceptional circumstances. It can also allow exemptions from the Council Tax Premium in addition to statutory exemptions set out in legislation.

3.3 How does your proposal ensure that you work in accordance with the requirements of the Welsh Language Standards (Welsh Language (Wales) Measure 2011), to ensure that the Welsh language is not treated less favourably than English and that you seize every opportunity to promote the Welsh language (beyond providing services bilingually) and increase opportunities to use and learn the language in the community?

As set out in 3.1 above, it will have a positive impact on our communities as it entitles families living in Gwynedd to receive Council Tax and Premium exemptions and therefore assists local families to stay in the area and renovate housing.

3.4 What other measures or changes could you include to strengthen or change the policy / practice in order to have a positive impact on people's opportunities to use the Welsh language, and to reduce or prevent any adverse effects that the policy / practice may have on the Welsh language?

This is a taxation policy, and we believe that the current policy goes to the best of our legal and statutory ability in that regard in terms of having a positive impact on the language.

3.5 How does the proposal show that you have had due regard to the need to address inequality caused by socio-economic disadvantage? (Note that this is about closing inequality gaps rather than just improving outcomes for everyone)?

The policy covers a number of different cases that will affect a range of residents in our society:-

- Individuals experiencing temporary financial hardship.
- Vulnerable groups.
- Cases where the liability to pay Council Tax and Premium arises due to unforeseen or exceptional events.

It also specifically refers to first-time buyers, owners seeking access to their prospective primary or sole home, foster carers and community enterprises.

3.6 What other measures or changes might you include to strengthen or change the policy / practice to show that you have had due regard to the need to reduce disproportionate outcomes as a result of socio-economic disadvantage, in accordance with the Socio-Economic Act?

We believe that the policy already shows a total commitment to giving due regard to the need to reduce unequal outcomes as a result of socio-economic disadvantage and that other measures or changes are not needed.

4) Analysing the Results

4.1 Is the policy therefore likely to have a significant, positive impact on any of the above and what is the reason for this?

Residents facing exceptional financial hardship or unusual circumstances will fall into all of the age categories, so the policy is having a positive impact on people of all ages in our communities.

The "Local Empty Property Exemptions" part of the policy applies to first time buyers and to property owners seeking access to their prospective main or sole home and therefore gives families living in Gwynedd the right to receive exemptions assisting local families to stay in the area and renovate housing.

4.2 Is the policy therefore likely to have a significant, negative impact on any of the above and what is the reason for this?

No, while the policy does not allow optional exemptions from the Premium for second homes, it recognises that it needs to be reviewed regularly to coincide with a change in legislation. It also allows anyone to apply for an exemption or reduction from the Premium if they can demonstrate why their situation is truly exceptional.

4.3 What should be done?

Choose one of the following:

Continue with the policy / service as it is robust	
Adapt the policy to delete any barriers	
Suspend and delete the policy as the detrimental impacts are too big	
Continue with the policy as any detrimental impact can be justified	✓
No further action at this time because it is too soon to decide, or there is insufficient evidence	

4.4 If continuing with the project, what steps will you take to reduce or mitigate any negative impacts?

- Accessible forms (Braille, large print, simple language).
- Phone line support.
- Reference to Citizens Advice.
- Train staff on the policy including awareness of protected needs.

- A Panel consisting of the Cabinet Member for Finance, Head of Finance / Assistant Head of Finance and the Tax Manager will consider individual applications for reductions under Section 13A.

4.5 If you are not taking any further action to delete or reduce the negative impacts, explain why here.

5) Monitoring

5.1 What steps will you take to monitor the impact and effectiveness of the policy or service (action plan)?

- Collect data on applications by protected characteristics where possible.
- Monitor the impact and complaints.
- Review the policy annually.