Integrated Impact Assessment

This document assesses the impact that the policy, procedure, plan etc will have on the population of the county and operates on the basis of a number of laws.

- **The Equality Act 2010**. It places a duty on public organisations to pay due attention to the impact of any new policy, procedure, scheme etc (or in adapting them) on people with protected characteristics. We are required to
    - abolish unlawful discrimination, harassment and persecution and other conduct prohibited by the Act.
    - promote equal opportunities between people who share a relevant protected feature and those who do not.
    - foster good relationships between people who share a protected trait and those who don't.

  In Wales the specific duty sets out the need to carry out an impact assessment following specific guidelines to consider the impact that a change in any policy or procedure (or the creation of a new policy or procedure), will have on people with protected equality characteristics. A timely assessment must be made before a decision is made on any relevant change (i.e. which has an impact on people with a protected characteristic).

- **Socio-Economic Duty.** Wales has now implemented this duty which is part of the Equality Act 2010 giving a duty to address socio-economic disadvantage in strategic decisions.

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

- **Well-being of Future Generations Act 2015.** The Council has a duty to implement the five ways of working, and to respond to the 7 national well-being goals.

- **The Armed Forces Act 2021.** Councils must have due regard to the impact of this proposal on those serving or having served in the Armed Forces, along with their families.

Council Tax Premium on Long Term Empty Properties and Second Homes

Author : Dewi Aeron Morgan

Job Title: Head of Finance

Date: 29/10/2026

Version: October 2026

STEP 1 - Main Aims and Objectives of the Policy or Practice

1. What kind of document or procedure is being assessed?

- Decisions affecting service users, employees or the wider community including commissioning/decommissioning or reviewing services

2. What are the goals, objectives and intended outcomes of the policy or practice?

Between April 2018 and March 2021 the Council had been charging a 50% premium on Council Tax on second homes and long-term empty properties, and since 1 April 2021 the level of the Premium has been increased to 100%. From 1 April 2023 the legislation has changed and the Council has the right to increase the level of the Premium to 300%

From 1 April 2026 the Premium on both second homes and long-term empty properties is 150%

The full Council will need to make its decision on the Premium level for the 2027/28 financial year at its meeting on 3 December 2026 on the basis of a recommendation to be decided by Cabinet at its meeting on 10 November.

The last public consultation took place in 2022. At its meeting on 27 September 2022, Cabinet agreed to undertake a public consultation on how it should respond to the change in legislation enabling the Council to increase the level of the Premium beyond the 100% that existed at the time, to 300% from 1 April 2023.

3. Who are the main advisory groups (stakeholders)?

The Council has the power under the Local Government Finance Act 1992 (as amended) to adjust the level of the Premium by up to 300% from 1 April 2023, following amendments to the Act by the Council Tax (Long-Term Empty Dwellings and Periodically Occupied Dwellings) (Wales) Regulations 2022 (SI 2022/370 W.90). The previous maximum was 100%. However, it is an explicit expectation for us to consult with the public and key stakeholders. A public consultation was undertaken, with coverage in the local press and on social websites, and the Council wrote to property owners subject to the Premium.

The key partners and stakeholders were:

- Residents of Gwynedd
- Taxpayers on empty properties and second homes

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

- Finance Department
- Corporate Services Department
- Cyngor Gwynedd Cabinet Members
- Full Council

STEP 2 - Engagement Data and Impact Assessment

4. Has an attempt been made to comply with the duty to engage in accordance with what is described above and has sufficient information been gathered to proceed?

Yes

Details of engagement. Please note any consultation or engagement you have made or intend to do

Activity	Dates	Information
Public Consultation	September / October 2022	We have endeavoured to identify individuals with protected characteristics as the public consultation asks respondents to inform us of any protected characteristics so that these can be taken into account in the development of the policy. The consultation was public and the questionnaire was available to anyone to complete online. Two press releases raising awareness of it were issued, 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.

5. What information is available about the impact on each of the features and topics below?

	Relevant Evidence, Information and Data	**Potential Positive and/or Negative Impact**
Race	The Premium is charged on all second homes and long-term empty 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 the policy is likely to have a negative financial impact on this cohort. Nevertheless, the money will be used to develop the housing market for local people, which is a positive outcome.	The premium charging policy is intended to address the situation of housing not being available to local people, and the impact is positive on this cohort. The policy will affect people from outside Gwynedd and some respondents to the public consultation claim that the Policy would be racist as it targets 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 empty properties.

Disability	Insignificant Impact	There is a slight possibility of indirect disability-based discrimination if a disabled person keeps a modified property in Gwynedd as they are unable to have a holiday elsewhere.
Gender	None	No effect known
Age	Positive	A study in 2013 showed that the demographic make-up of the communities with high proportions of second homes is different; in general, the residential population is 'older'. This affects the balance of the communities and will have an impact on the resilience and sustainability of these areas in the future. It went on to note that the profiles of second home owners themselves suggest that they are generally middle-aged or retired, and wealthier than the national average. Shelter (2011) (Taking Stock, an assessment of under utilisation of housing stock in England) estimated that 60% of second home owners nationally are aged between 45 and 60 compared to 40% across all owner-occupancy in this age group. Responses to the current public consultation have suggested the same. Therefore, there is evidence that those who will lose out financially are older, but it is expected that the older people living in the relevant areas throughout the year will gain as the local society will be more resilient and sustainable. Nevertheless, there is strong evidence that care providers are facing urgent recruitment difficulties. Ensuring a community balance is crucial in order to have enough young people to protect and care for

		older people, and the policy of raising a Premium is intended to help young people stay in the local area by being able to provide them with local homes. Overall, therefore, the policy will have a positive impact as it helps young families to find a home. This will then have a more positive than negative impact on community balance
Religion and belief	None	No effect known
Sexual Orientation	None	No effect known
Gender reassignment	None	No effect known
Marriage and Civil Partnership	None	No effect known
Pregnancy and Maternity	None	No effect known
Welsh Language	Positive	There will be an indirect impact on the language as the purpose of charging a premium is to encourage owners of long-term empty properties and second homes to return the property to the local housing stock, or to pay additional Council Tax. The Premium product has so far been used to meet local housing needs. Supporting the Welsh language, therefore, is a core part of this policy. In particular, there will be a positive impact on the balance of communities as the premium product funds the Housing Action Plan which supports local families to buy an affordable home.
Socio-Economic Considerations	Positive	In deciding in February 2021 to recommend to the full Council that the level of the Premium be increased to

		100%, Cabinet members noted that there was a housing crisis within the county. The principle was emphasised that the Council wanted residents to have homes in their communities, to ensure communities that are thriving. It was reiterated that housing was a priority and that additional resources needed to be secured in order to implement the Housing Strategy. The power to charge a premium has been introduced through the Housing (Wales) Act 2014 and the statutory guidance states: The discretion given to local authorities to charge a premium is intended to be a vehicle to assist local authorities to: • restoring the use of long-term empty homes in order to provide safe, secure and affordable homes; a • Assist local authorities in increasing the supply of affordable housing and improving the sustainability of local communities.
Those who serve or have served in the armed forces, together with their families	None	No effect known
Human Rights	None	The policy relates to adjusting Council Tax levels based on being a second home owner or being vacant in the long term. The assessment does not see that this will breach the human rights of any individual or cohort of people.
Other	None	None

6. Are there any data or information gaps and if so, what are these and how are they intended to be addressed?

A wide range of data has been collected over a number of years now and we are satisfied with the robustness of the information.

7. When considering other key decisions affecting these groups, is there a incremental effect (cumulative effect)?

We don't believe so.

8. What does the proposal include to show that you have given due regard to the Public Sector Equality Duty (to promote equal opportunities; help to eliminate discrimination, harassment or unlawful victimisation and foster good relationships and wider community cohesion) as covered by the 3 aims of the General Duty in the Equality Act 2010?

The Policy gives an equal opportunity to local people who are currently unable to afford a home. The current housing situation is unequal and the decision is intended to stabilise and rectify this situation

The policy of raising a Premium can promote good relationships with people within the communities of Gwynedd if the Policy gives them the opportunity to have a better home, or a first home, as the number of holiday homes and empty dwellings is found to have an adverse effect on the ability of local people to find a place to live. A policy of raising the Council Tax Premium on second homes and empty dwellings can improve the relationships if Gwynedd residents feel that the policy helps them to have a better chance of having a home in their local area.

Some second home owners have claimed in their response to the consultation that increasing the level of the Premium will cause community ill feeling, but there is no evidence to support this claim. The current inequality is more likely to create ill feeling.

9. How does the proposal demonstrate that due attention has been given to the need to tackle inequality in the cause of socio-economic disadvantage? (Note that this is about closing inequality gaps rather than just improving outcomes for all)

The Council adopted a Housing Action Plan in December 2020 which includes a range of projects in place to make use of Premium products in order to address situations of socio-economic disadvantage. The basic principle is that those who can afford multiple properties support the most vulnerable in society who are unable to access homes at all. The projects in the Housing Action Plan that make use of Premium funding are:

- Supported housing schemes for the homeless
- Supported accommodation for homeless youth
- Self-sustaining units for individuals with profound social needs
- Support packages for private landlords
- Extra accommodation and support in Arfon
- Build more social housing than can be funded through the social housing grant
- Developing our own housing in order to increase the opportunities for Gwynedd residents to compete in the housing market.
- Consultation with communities to establish their housing needs
- Self-build plots
- First Time Buyers Grants to renovate empty homes
- Council Tax exemption on empty homes for first time buyers
- Purchase assistance scheme
- Buying building land for the future

- A residential element in community regeneration schemes
- Establish a new Energy Conservation service for homeowners to contribute towards our ambition to tackle the climate crisis
- Innovative Housing Pilot
- Funding the financial shortfall in innovative housing business cases
- Supported Housing – Youth
- Extended care housing – elderly
- Supported housing – adults with profound needs
- Homes suitable for children with intense physical needs
- Frondeg, Caernarfon
- Interest-free loans to improve housing condition
- One stop shop for housing issues

10. How does the proposal demonstrate action in accordance with the requirements of the Welsh Language Standards (Welsh Language (Wales) Measure 2011), not to treat the Welsh language less favourably than English, and to ensure opportunities for people to use Welsh? Also how will it be acted upon in accordance with the Council's language policy and strategy to take advantage of every opportunity to promote the Welsh language (beyond the provision of services bilingually) and to increase opportunities to use and learn the language in the community?

The Policy relates to property use, not the nationality of the owner. However, there will be a positive impact on the balance of communities as the premium product funds the Housing Action Plan which assists local families to buy an affordable home.

11. How does this proposal meet the requirements of the Well-being of Future Generations Act by implementing the five ways of working, and responding to the 7 national well-being goals including creating a More Equal Wales?

There is a duty to act in accordance with the principle of sustainable development, which is to seek to ensure that the needs of the present are met without jeopardising the ability of future generations to meet their needs. In acting in accordance with this general duty the Council needs to consider the importance of long-term impact, being integrated, inclusive, collaborative and preventive in the development and implementation of the proposal before it.

In accordance with the requirements of the Act, Cyngor Gwynedd has adopted well-being objectives. Particular attention is drawn to the following objectives:

- Communities that thrive and thrive for the long term
- Healthy and Independent Residents with a Good Quality of Life

The current Premium funds the Council's Housing Action Plan, which is a proactive attempt to strengthen the sustainability of those communities within Gwynedd that have a high number of second homes and long-term empty homes.

The Council's Housing Strategy sets out the vision of "Ensuring that the people of Gwynedd have access to a suitable and quality, affordable home that improves their quality of life".

The Strategy identifies five objectives that had to be met if the Council was to achieve this vision:

- 1. Nobody is homeless in Gwynedd
- 2. Social housing available to everyone who needs one
- 3. Everyone's home in Gwynedd is affordable for them
- 4. Tai Gwynedd is environmentally friendly
- 5. Cartrefi have a positive influence on the health and well-being of the people of Gwynedd.

The Housing Action Plan includes a number of projects which, taken together, deliver on these objectives.

STEP 3 - Procurement and Partnerships

12. Will this policy or practice be carried out in whole or in part by contractors or in partnership with other organisation(s)?

No

STEP 4 - Dealing with Negative or Unlawful Impact and Strengthening the Policy or Practice

13. In considering proportionality, does the policy or practice cause a significant positive or negative impact or create unequal outcomes?

Significant Positive Impact:
The policy of raising the Premium is intended to protect the communities of Gwynedd through the Housing Action Plan. This is likely to have a significant positive impact.

Significant Negative Impact:
Owners of second homes and long-term empty properties will need to pay more Council Tax. A "Section 13A Policy" is in place to support and provide discretionary support to mitigate the impact on those experiencing hardship as a result of the Policy.

14. Any intentional negative impact and why it is believed that there is justification for such action (for example, on the basis of improving equal opportunities or fostering good relationships between those who share a protected characteristic and those who do not or because of objective justification or positive action

When making a decision on the Premium one must be aware of the possibility that indirect discrimination exists. Although it is the use of a property that determines whether or not a Premium is payable on it, not its ownership, the outcome of the consultation suggests that the owners of such properties tend to be English and older people and need to be aware of the risk of indirect discrimination against these cohorts.

However, the Equality Act 2010 states that this is legal if the policy is a proportionate means of achieving a legitimate aim, and in this case it is a means of realising positive action, which is to address the housing crisis for local people.

15. Will any of the negative impacts identified count as unlawful but unavoidable discrimination (e.g. reduction of funding)?

No

Please note the reason for saying so and the justification for continuing

This is considered to be an illegal action. The Premium has been in place since 2018 now and no legal basis has been proposed against it.

16. What other measures or changes could be included in order to strengthen or change the policy/practice to demonstrate that due attention has been given to promote equal opportunities; to help eradicate unlawful discrimination, harassment or victimisation and to foster good relationships and wider community cohesion; as addressed in the General Duty of the Equality Act 2010?

Two specific cohorts of the population will be subject to the premium, namely second home owners, and owners of long-term empty homes.

It should be noted that responses to the consultation, along with national studies strongly suggest that second home owners tend to be older people. A number of the responses to the consultation suggest that some of these older owners are "asset rich / cash poor". That is, they have bought the property for several years or inherited it, but their income is not necessarily high. This ultimately raises a grain of doubt as to whether the Council is fulfilling its statutory duties, but that must be weighed against the poverty, unemployment and homelessness that exists in rural Gwynedd. According to the Housing Action Plan, 59% of Gwynedd residents have been priced out of the market in Gwynedd.

The Premium is charged on all properties that are second homes or long-term vacant properties without regard to ownership.

One of the main outcomes of the Premium is the funding of the Housing Action Plan. This plan will address social inequality within Gwynedd. The Equality Impact Assessment completed in the preparation of the Housing Action Plan identifies the very positive actions that will result from the implementation of the Plan, with the financial support of the Premium:

The Premium aims to reduce inequality within Gwynedd's communities, and contributes to that by funding specific projects.

17. What other measures or changes could be included to strengthen or change the policy/practice to demonstrate that due attention has been given to the need to reduce unequal outcomes as a result of socio-economic disadvantage?

Further action is not believed to be necessary.

18. What other measures or changes could be included to strengthen or change the policy/practice to demonstrate that due regard has been given to the need to increase opportunities for people to use the Welsh language and not to treat the Welsh language less favourably than English in accordance with the Welsh Language (Wales) Measure 2011 and to reduce or prevent any adverse effects that the policy/practice may have on the Welsh language?

Further action is not believed to be necessary.

19. Is there enough information to form a balanced view and move forward?

Yes

STEP 5 - Decide to Go Ahead

20. Given the information gathered in Steps 1-4, is it possible to proceed with the policy or practice, and if so, on what basis? Choice of:

Continue with the plan because any detrimental impact can be justified

STEP 6 - Actions and Arrangements for Monitoring Results and Reviewing Data

The IIA process is an ongoing one and does not end when the policy/practice and the IIA have been agreed and implemented. There is a specific legal duty to monitor the impact of the policies/practices on equality on an ongoing basis to identify whether the outcomes have

changed since you introduced or modified this new policy or practice. If you do not have the relevant data, you should be taking action to correct this in your action plan. To view the EHRC's guidance on data collection you can review their Measurement Framework

21. What actions identified in Steps 1-5 or any additional data collection work will assist in monitoring the policy/practice when implemented:

Operation	Dates	Timeline	Lead Responsibility	Add to Service Plan
Data monitoring	2027/28	Yearly	Head of Finance	No

22. What arrangements to monitor and review the ongoing impact of this policy or exercise will be implemented, including timescales for when it should be formally reviewed:

Monitoring and Review Arrangements (including where the results will be recorded)	**Timetable and Frequency**	**Lead Responsibility**	**Add to Service Plan**
Report to Cabinet and Council	Yearly	Head of Finance	No