

Appendix 4 - Equality Impact Assessment Form and Action Plan

Officer completing EIA Form	Job Title	Team/Service	
Heather Tiso	Revenues & Benefits Manager	Revenues & Benefits Service	
Why are you completing the Equality Impact Assessment? Please ✓ as appropriate			
Proposed new policy or service	Change to policy or service	New or change to budget	Service review
	✓		
1 Description of policy, service or decision being impact assessed:			
<p>Background</p> <p>From 2013/14 district councils have operated localised Council Tax Support (CTS) schemes to provide assistance to people on low income. CTS replaced the previous Council Tax Benefit scheme that was administered by the council on behalf of the Department for Work and Pensions (DWP). Councils are responsible for the design and implementation of these schemes and need to consider if they are to be revised or replaced on an annual basis. The subsidy reimbursement for CTS reduced nationally by 10% in 2013/14 with councils having the option of funding the shortfall or designing a CTS scheme that is cost neutral. The Government state any CTS scheme must protect pensioners at the existing level of support. That decision means the burden falls disproportionately upon those of Working Age.</p> <p>From 1 April 2014, funding for localised CTS is incorporated in Settlement Funding Assessment (SFA) and not separately identified. The SFA has reduced by 45.7% in cash terms since 2013/14. In applying this methodology, the funding available for Localised CTS has reduced by £2,792,307 to £3,317,773. In 2016/17, we paid CTS of £5,377,970, meaning that if there is no change to the existing CTS scheme, we estimate we will have a funding shortfall of £2,060,197, with our share of that shortfall being £197,985. The financing risk of the scheme is shared with other precepting Authorities through the tax base calculation. Taunton Deane's share of the collection fund in 2017/18 is 9.61%.</p> <p>Historically, the administration of our localised CTS scheme was administratively efficient as many claims were assessed using information supplied by claimants for a Housing Benefit claim or directly from the Department for Work and Pensions. However, CTS administration has become increasingly difficult since the roll out of the "full service for Universal Credit (UC), with the number of customers claiming UC significantly increasing. We receive information from the Department of Work and Pensions (DWP) on any variations to the customer's income and for many customers, such changes occur every month. Our previous CTS scheme did not contain any "de-minimus" for income variances, we need to reassess the amount of CTS entitlement leading to multiple bills, direct debit changes and increased administration.</p> <p>For the reasons outlined above, the cost and administration of the previous CTS scheme could have become progressively financially burdensome, as well as being increasingly complex for customers. Taunton Deane Borough Council and West Somerset Council therefore implemented a banded income CTS scheme for 2018/19.</p> <p>2018/19 Council Tax Support Schemes</p>			

The banded income scheme removed Applicable Amounts in calculating CTS and instead awarded entitlement based on Income Bands. To recognise the additional needs of multi-person households and families the table on the following page shows the income limits for each band in 2018/19.

CTS Band		Single people	Couple no Children	Couple with one child	Lone Parent with one child	Couple with two or more children	Lone Parent with two or more children
85%	1	£75.00	£115.00	£165.00	£125.00	£215.00	£175.00
75%	2	£125.00	£165.00	£215.00	£175.00	£265.00	£225.00
60%	3	£175.00	£215.00	£265.00	£225.00	£315.00	£275.00
45%	4	£225.00	£265.00	£315.00	£275.00	£365.00	£325.00
30%	5	£275.00	£315.00	£365.00	£325.00	£415.00	£375.00
15%	6	£325.00	£365.00	£415.00	£375.00	£465.00	£425.00

In addition to these changes, TDBC and WSC also decided to:

- apply a flat rate deduction of £5 a week for each non-dependant;
- disregard carers' allowance from the income used to work out CTS
- provide extra assistance for young people who had left local authority care by increasing maximum support to 100% of the Council Tax liability for single applicants up to the age of 25 where their weekly income falls within Band 1.

The banded income scheme has been largely successful. We have listened to feedback from customers, identified best practice and considered the impact of the scheme to identify areas that could be changed. In light of this it is proposed to amend the scheme to ensure fairness, encourage work, protects our vulnerable customers, and is affordable.

2 People who could be affected, with particular regard to the legally defined protected characteristics¹:

Our localised CTS scheme affects all claimants who are of working age (and those of working age currently not in receipt of CTS but who may apply in the future). Limited equality data is held within the CTS computer system (as the collection of such information has not been necessary for administering CTS) given the caseload can come from all sections of the community it is likely there will be claimants (and their household members) that contain the full range of protected characteristics 1 as defined within the Equalities Act 2010 and include:

- Age
- Disability
- Gender
- Gender Reassignment
- Marriage and Civil Partnership
- Pregnancy and Maternity
- Race
- Religion and belief
- Sexual orientation

The Government expect local authorities to establish schemes that minimise the impact on vulnerable groups. The Council Tax Reduction Schemes (Prescribed Requirements) Regulations 2012 include provisions for those of working age but none of those prescribed requirements set out the level of support to be given.

3 People and Service Area who are delivering the policy/service/decision:

Council Staff

4 Evidence used to assess impact: Please attached documents where appropriate.

We have obtained data relating to people affected from our Council Tax Support processing system. The data available has allowed us to analyse impact on people according to their age, disability, family circumstances and level of income. We have modelled options on scenarios with “live” data based on actual entitlements and CTS recipients at that point in time. We asked general diversity questions as part of the consultation exercise.

The impact of implementing any changes to our local Council Tax Support Scheme in 2019/20 for each of the protected groups, is considered below and on the following pages.

Equality Impact Assessment (by protected characteristic)

¹ For protected characteristics, please visit:

<http://www.equalityhumanrights.com/private-and-public-sector-guidance/guidance-all/protected-characteristics>

Age

Pensioners are still entitled to claim up to 100% of their Council Tax liability through CTS. The Council's general equality duty is lessened to an extent with regard to older people as Government has prescribed that pensioners are not affected by CTS. However, we have a responsibility to foster good relationships between people who share a protected characteristic and those who do not. There is a risk of harming the relationship between pensioners and working age claimants of CTS as pension age claimants are not affected and working age claimants have a greater reduction to their CTS to cover the shortfall in funding.

At 31 March 2018, just 136 (3%) CTS recipients of pension age had Council Tax arrears contrasting with 1,841 (34%) for those of working age - see Table 1 below.

Table 1

	Number of cases	Cases with debt	% of cases with debt	Average debt for those in arrears	Total arrears
Pension Age	4,755	136	3%	£103.75	£14,110.16
Working Age	5,354	1,841	34%	£235.72	£433,968.40
Total	10,109	1,977	20%	£226.65	£448,078.56

In conducting consultation for our CTS scheme

For all options to change our scheme, we would continue to disregard Child Benefit in income calculations meaning that the added income this provides will not reduce the CTS that an applicant receives.

To mitigate any of the effects in changing our CTS scheme in 2019/20, officers could apply a discretionary reduction in Council Tax liability through exceptional hardship as appropriate and in accordance with our policy.

Disability

Disabled people have a limited ability to work and are likely to have higher level disability related living expenses. This group in particular find it difficult to access and sustain employment and therefore improve on their current financial situation. This group of people is less resilient to the impact of recession and unemployment and are often living in poverty. These further impacts on the individual's mental health.

Paragraph 2.1 (e) of this report will increase the support provided to this particular protected characteristic by applying a disregard of £50 from the income used to work out CTS where the qualifying conditions for the disability premium is met.

Gender

There are a greater number of female recipients of CTS within our caseload (either single, lone parents or part of a couple) than male recipients. Consequently, more females will be impacted by changes made to our CTS scheme than males. This is not deliberate but is simply a product of the makeup of our caseload. However, gender will not be a direct factor in any part of the assessment of CTS as it is not considered to be a characteristic that requires greater assistance when assessing support.

The majority of lone parents in receipt of CTS are female.

Gender Reassignment

We hold no data on our Council Tax system to identifying the names or numbers of current CTS applicants who share this protected characteristic. Gender reassignment is not a factor in any part of the assessment of CTS and it is not considered to be a characteristic which requires that requires greater assistance when assessing support. In common with other working age CTS applicants, transgendered people may receive less CTS under the proposals for change in 2019/20. However, these are not such as to introduce disproportionately adverse effects on transgendered people as a specific group.

Marriage and Civil Partnership

Marital or civil partnership status is not currently a factor in determining CTS as it is not considered to be a characteristic that requires greater assistance when assessing support. Options for changing our CTS scheme for 2019/20 do not introduce disproportionately adverse effects on people based on their marriage or civil partnership status.

Religion and Belief

We do not gather data on religion or belief as part of the CTS application process; we do not hold full data specific to religion or belief within our caseload. Religion and belief is not a factor in any part of the assessment of Council Tax Support as it is not considered to be a characteristic which requires greater assistance when assessing support. Some working age CTS applicants, people of all or no religion or belief, may receive less CTS under the proposals for change in 2019/20. However, these are not such as to introduce disproportionately adverse effects on people based on their religion or belief status.

Race

Race is not a factor in the assessment of CTS and it is not considered to be a characteristic that requires greater assistance when assessing support. Some people of all races, may receive less CTS under the proposals for change in 2019/20. However, these are not such as to introduce disproportionately adverse effects on people based on their race status.

Pregnancy and Maternity

Pregnancy alone is not a factor in the current assessment of CTS as it is not considered to be a characteristic that requires a higher level of support. Providing that the child (or children) forms part of the mother's household composition once it is born, the application for CTS will then include the child (or children) as

part of the household and the CTS available will increase which, once other income changes have been taken into account may provide for a more generous assessment of CTS and reduced Council Tax payments.

The CTS scheme would retain the current disregard of Child Benefit in income calculations for all the options in changing our scheme for 2019/20. This will mean the income that Child Benefit provides will not reduce the amount of CTS that a recipient receives as a result of having a baby.

Sexual Orientation

Sexual orientation is not a factor in any part of the assessment of CTS as it is not considered to be a characteristic which requires a higher level of support when assessing CTS. Some working age CTS applicants may receive less CTS under the proposals for change in 2019/20. However, these are not such as to introduce disproportionately adverse effects on people based on their sexual orientation.

Children and duties under the 2010 Child Poverty Act

The minimum age for receiving CTS is 18 and so people under the age of 18 will not be impacted directly by the CTS scheme. Indirect impact has been considered as people under the age of 18 are included as part of a claimant's household and the Council has a duty to prevent child poverty as outlined in the Child Poverty Act 2010.

Paragraph 2.1 (d) of this report will increase the support provided to this particular protected characteristic by applying an additional £50 disregard from the income used to work out CTS for each child where there are more than two children in the household.

Other Groups (non-statutory)

Employment

For people of working age that are not in employment, the benefit cap restricts the amount in certain benefits that a household can receive. Any household receiving more than the cap will have their Housing Benefit reduced to bring them back within the limit. The Benefit Cap is £20,000 for households living in the Taunton Deane area. This reduction in income may mean Council Tax is more difficult to collect from those households.

Armed Forces

Veteran Benefits will continue to be fully disregarded in the means test for Council Tax Support. Our scheme does not appear to have a differential impact but we are aware some ex veterans experience mental health issues and have physical disabilities.

5 Conclusions on impact of proposed decision or new policy/service change:

In considering options to change our CTS scheme we have tried hard to balance the reality of a significant cut in Central Government funding to protecting the most vulnerable members of our community as far as practicable. The proposed options acknowledge that recipients of CTS need to contribute more to meet the funding shortfall but also looks to protect people with protected characteristics as much as possible.

In mitigating any disproportionate effect through implementing any of the proposed options to change our CTS scheme, officers could apply a reduction in Council Tax liability through exceptional hardship as appropriate and in accordance with our discretionary policy.

6 Recommendation based on findings. These need to be outlined in the attached action plan.

Adjust the policy/decision/service.

Equality Impact Assessment Action Plan					
Group Affected	Action required	Expected outcome of action	Person to undertake action	Service Plan - for monitoring	Expected Completion date
Age	Young people leaving care may who fall outside income band 1 may need additional support to help with Council Tax costs. Liaison is to be established with Somerset County Council to identify care leavers aged up to 25 to ensure they receive extra support.	Flagging affected individuals as “vulnerable” with Revenue IT systems to ensure collection of debt is appropriately managed	Case Manager / Specialist	Customer	On-going
Disability	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable
Marriage and Civil Partnership	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable
Pregnancy and Maternity	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable
Race	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable
Gender Re-assignment	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable
Religion and Belief	No issues identified that would result in a disproportionate effect through proposed changes.	No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable
Sex	There are a greater number of female CTS recipients within our caseload (either single, lone parents or part of a couple) than male recipients. Consequently, more females will be	Provide short-term help for instances of hardship.	Case Manager / Specialist	Customer	On-going

	impacted by changes made to our scheme However, gender is not a direct factor in any part of the assessment of CTS as it is not considered to be a characteristic that requires a higher applicable amount when assessing support.					
Sexual Orientation	No issues identified that would result in a disproportionate effect through proposed changes.		No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable
Rurality	No issues identified that would result in a disproportionate effect through proposed changes.		No issues identified that would result in a disproportionate effect through proposed changes.	Not applicable	Not applicable	Not applicable
Author's Signature:		Report Title	Review of CTS scheme for 2019/20	Date		EIA Version
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