

EQUALITY IMPACT ASSESSMENT Part 1 & 2 – pro-forma

Directorate – Resources	Service – Finance Revenues & Benefits	Assessment Carried out by Chris Watchman
Area Being Assessed – Draft Council Tax Reduction Scheme	Date of Assessment – November 2018	This is a revision to an existing policy
1.What is the aim/ objective of the area being assessed?	<p>Since 1 April 2013, the Council has maintained a local Council Tax Reduction scheme. This replaced the national Council Tax Benefit scheme, which ended on 31 March 2013. Council Tax Reduction helps provide support to Council Taxpayers who have a low income. It supports the taxpayers by providing a reduction in the actual amount in Council Tax payable.</p> <p>The Council has the ability to determine the level of support given to working age applicants only. The scheme for pension age applicants is determined by Central Government and therefore the ability of the Council to vary that part of the scheme is limited and can only enhance the national scheme in any event.</p> <p>When Council Tax Reduction was first introduced, Central Government provided a specified level of grant, which was approximately 10% lower than the amounts previously given (pre 1 April 2013). This has now been replaced by a general duty to provide a scheme and funding is not separately identified within the grants given to the Council.</p> <p>After the original consultation, the Council decided to introduce a Council Tax Reduction scheme that was broadly in line with Council Tax Benefits albeit that a minimum level was agreed that prevented the granting of any reduction where the entitlement was less than £5 per week.</p> <p>The Current Scheme (2018/19)</p> <p>Since the introduction of Council Tax Reduction, the overall scheme adopted by the Council has remained broadly the same, with applicable amounts and non-dependant charges being uprated. In addition, due to the continued reduction in Central Government grant available, all working age applicants are now requirement to pay a minimum of 20% towards their Council Tax.</p> <p>Where applicants suffer exceptional hardship, they may apply for additional support</p>	

under the Council's Exceptional Hardship Fund which can grant additional Council Tax Reduction.

Central Government has continued to uprate changes to applicable amounts for pension age applicants, to mirror the changes in Housing Benefit.

The Proposed Scheme (2019/20)

Due to the rollout of Full-Service Universal Credit within the East Sussex area it is necessary to change the current Council Tax Reduction scheme to address the following issues;

- The reluctance of Universal Credit claimants to make a prompt claim for Council Tax Reduction leading to loss of entitlement;
- The number of changes to Universal Credit cases received through the Department for Work and Pensions (DWP) data hub requiring a change to Council Tax Reduction entitlement. On average 40% of Universal Credit claimants have between eight and twelve changes per annum. These changes result in changes to Council Tax liability, the re-calculation of instalments, delays and the demonstrable loss in collection; and
- The increased costs of administration through multiple changes with significant additional staff and staff time being needed

The existing Council Tax Reduction scheme for Rother is based on a means-test. This means the scheme is highly reactive to changes in an individual's circumstances. Continuing to operate on such a basis will not be viable once Universal Credit has been rolled out fully within the area. A move to a new more efficient and modern approach from 2019 is imperative.

A new scheme has been developed, the main features of which are as follows:

- a. The overall expenditure of the scheme will remain as at present;
- b. The changes can only be made to the working age schemes as the current schemes for pensioners is prescribed by Central Government;
- c. The current means – tested schemes will be replaced by a simple income grid model as shown below:

		Income levels			
Band	Discount %	Single person	Couple no Children/ Young Person	Couple / Lone Parent with one child / Young Person	Couple /Lone Parent with two or more children / young persons
1	80	£0 - £94.99	£0 - £134.99	£0 - £184.99	£0 - £234.99
2	60	£95 - £144.99	£135 - £184.99	£185 - £234.99	£235 - £284.99
3	40	£145 - £194.99	£185 - £234.99	£235 - £284.99	£285 - £334.99
4	20	£195 - £245.00	£235 - £285.00	£285 - £335.00	£335 - £385.00

- d. It is recommended that the highest level of discount will be 80% (an increase on current levels) and that all current applicants that are in receipt of a 'passport benefit' such as Income Support, Jobseeker's Allowance (Income Based) and Employment and Support Allowance (Income Related) receive maximum available discount;
- e. The levels for all other bands have been determined during the modelling process. This has been designed to be as accurate as possible and protects applicants from significant change (either positive or negative);
- f. The scheme framework allows for variation in household size with the levels of income per band increasing where an applicant has a partner, and / or dependants;
- g. Where an applicant has non-dependants living with them, no deduction shall be made from any entitlement. This is a significant change and means that the administration of the scheme will be more straightforward whilst also protecting low income families where, for example, adult sons or daughters remain at home;
- h. To promote work, incentives the existing earnings disregards (£5 for single claimants, £10 for couples and £20 for disabled claimants) have been increased to a standard £25 per week disregard across all applicant types;
- i. Disability benefits such as Disability Living Allowance and Personal Independence Allowance will continue to be disregarded. In addition, the

	<p>Support Component of Employment and Support Allowance and Carer's Allowance will also be disregarded, again providing additional protection to vulnerable groups within the scheme;</p> <ul style="list-style-type: none"> j. Where a person is currently entitled to Disability Premium, Enhanced Disability Premium, Severe Disability Premium, Limited Capability for Work Element or Limited Capability for Work and Work Related Activity Elements (in Universal Credit), a similar amount will be disregarded from their income when calculating any reduction k. Child Benefit and Child maintenance will continue to be disregarded within the schemes; l. The total disregard on war pensions and war disablement pensions will continue; m. The capital limit used will be in line with the current scheme (£16,000) ; and n. Extended payments and Student eligibility provisions have been removed.
<p>2. Who is intended to benefit from it and how?</p>	<p>Both working age and pension age applicants, who have a low level of income will benefit from the scheme.</p> <p>The scheme for pension age applicants is determined by Central Government however the new scheme for working age applicants provides a higher level of support to those who have a low-level income or are on a legacy benefit such as Income Support, Employment and Support Allowance (Income Related) or Job Seekers Allowance (Income Based).</p> <p>The maximum will remain at 80% of the person's Council Tax liability for working age applicants. Pension age applicants will continue to receive up to 100% discount under the prescribed scheme set by Central Government.</p> <p>All applicants will have a greater certainty of entitlement with the discount approach producing far less changes in entitlement throughout the year.</p> <p>The new scheme is simpler and will accept any information received from the DWP</p>

	<p>as a claim for Council Tax Reduction and this will maximise applicant's entitlement to support.</p> <p>The scheme will still have, as an essential part, the provision to award additional support, where required, where exceptional hardship is proven.</p>
3. If your service uses contractors, do you ensure that they comply with the Council's equal opportunities policy and relevant legislation?	N/A
4. Do you know who your service users are by age/ race/ disability/gender etc.?	<p>Council Tax Reduction is currently claimed by 5833 Council Taxpayers The breakdown for each category are as follows:</p> <ul style="list-style-type: none"> • 56% are pension age and 44% are working age; • 36% male applicants and 64% female applicants; • 16% are disabled or severely disabled; • 3% have at least one child who is disabled; and • 12% are carers.
5 a. How are service users views gathered? (This could be through results of recent consultations or surveys, information from groups and agencies directly in touch with particular groups or analysis of complaints) b. How do you use this information? c. Do you publish the results, and where?	<p>The legislation relating to Council Tax Reduction requires the authority to consult with major precepting authorities and the public.</p> <p>Both consultations have been used to determine the views of stakeholders.</p> <p>Following both consultations there have been no significant changes proposed to the schemes and the recommendation is to proceed with implementing the new scheme from 1 April 2019</p>

6. Could the area being assessed have a differential impact on racial groups?	Yes	<p>The Council Tax Reduction scheme does not preclude people from receiving support based on their race. Under the current and new scheme, entitlement is solely based on the claimant’s income, household composition and liability to pay Council Tax. However, claims from large or multi-generational households could be affected by the restriction on the number of dependants (limited to two)</p> <p>The table below shows the breakdown of Rother residents according to race. These are the latest figures available and are the 2011 super output area figures obtained from ‘East Sussex in Figures’.</p> <table><tr><th>Ethnicity</th><td>All people</td><td>All White</td><td>All Mixed</td><td>All Asian or Asian British</td><td>All Black or Black British</td><td>Other ethnic group</td></tr><tr><th>Geography</th><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>England and Wales</td><td>56,075,912</td><td>48,209,395</td><td>1,224,400</td><td>4,213,531</td><td>1,864,890</td><td>563,696</td></tr><tr><td>South East</td><td>8,634,750</td><td>7,827,820</td><td>167,764</td><td>452,042</td><td>136,013</td><td>51,111</td></tr><tr><td>East Sussex</td><td>526,671</td><td>505,422</td><td>7,473</td><td>9,143</td><td>2,912</td><td>1,721</td></tr><tr><td>Eastbourne</td><td>99,412</td><td>93,508</td><td>1,791</td><td>2,795</td><td>783</td><td>535</td></tr><tr><td>Hastings</td><td>90,254</td><td>84,631</td><td>1,948</td><td>2,126</td><td>1,065</td><td>484</td></tr><tr><td>Lewes</td><td>97,502</td><td>94,159</td><td>1,275</td><td>1,400</td><td>416</td><td>252</td></tr><tr><td>Rother</td><td>90,588</td><td>87,951</td><td>1,031</td><td>1,103</td><td>305</td><td>198</td></tr><tr><td></td><td>100%</td><td>97.1%</td><td>1.1%</td><td>1.3%</td><td>0.3%</td><td>0.2%</td></tr><tr><td>Wealden</td><td>148,915</td><td>145,173</td><td>1,428</td><td>1,719</td><td>343</td><td>252</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>	Ethnicity	All people	All White	All Mixed	All Asian or Asian British	All Black or Black British	Other ethnic group	Geography							England and Wales	56,075,912	48,209,395	1,224,400	4,213,531	1,864,890	563,696	South East	8,634,750	7,827,820	167,764	452,042	136,013	51,111	East Sussex	526,671	505,422	7,473	9,143	2,912	1,721	Eastbourne	99,412	93,508	1,791	2,795	783	535	Hastings	90,254	84,631	1,948	2,126	1,065	484	Lewes	97,502	94,159	1,275	1,400	416	252	Rother	90,588	87,951	1,031	1,103	305	198		100%	97.1%	1.1%	1.3%	0.3%	0.2%	Wealden	148,915	145,173	1,428	1,719	343	252							
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7. Could the area being assessed have a differential impact on people due to their gender?	No	<p>The gender of the claimant is irrelevant when deciding a claim for and making an award of Council Tax Reduction. There are 36% male applicants and 64% female applicants at November 2018.</p>																																																																																				
8. Could the area being assessed have a differential impact on people due to their disability?	No	<p>The new Council Tax Reduction scheme applies the basic principles as the previous scheme in that it disregards any disability related income.</p> <p>The scheme design has been designed in such a way that no applicant that is disabled will be financially worse off because of their disability. Disabled applicants will continue to have all disability benefits disregarded and, in addition, receive</p>																																																																																				

		further disregards having regard to their circumstances and level of disability.
9. Could the area being assessed have a differential impact on people due to their sexual orientation?	No	The Council Tax Reduction scheme does not exclude claimants on the basis of their sexual orientation.
10. Could the area being assessed have a differential impact on people due to their age	Yes	<p>The Council Tax Reduction scheme is essentially made up of two parts. The scheme for working age is determined by the Council and the scheme for Pension Age applicants is determined by Central Government.</p> <p>By design the Council Tax Reduction scheme for pension age applicants is based largely on the previous Council Tax Benefit scheme. As such pension age applicants are protected from any changes or reductions in entitlement.</p>
11. Could the area being assessed have a differential impact on people due to their religious or other belief?	No	The Council's Council Tax Reduction scheme does not preclude people from receiving support based on their religious belief. Under the scheme, entitlement is solely based on the claimant's income, household composition and liability to pay Council Tax.
12. Could the area being assessed have a differential impact on people due to them having dependants/caring responsibilities?	Yes	<p>The new Council Tax Reduction scheme may have the following effect on both carers and applicants who have dependants.</p> <p>Carers – where the applicant or their partner is a carer, any Carer's Allowance received will be fully disregarded. This is a distinct advantage to the current scheme that only partially disregards the amount by granting a carer's premium.</p> <p>Dependants – where an applicant has a dependant, the income levels determining the amount of Council Tax Reduction will increase. In effect, an applicant with one or two dependants will maintain the same level of support and a single applicant or an applicant couple with no dependants even though they may receive significantly higher levels of income.</p> <p>However, the current scheme does not limit the number of dependants whereas the new scheme will limit the level of support so that families who have more than two dependants will have the same level of support as a two dependant family.</p>

		<p>This is in line with changes that Central Government have made within Housing Benefit, Council Tax Reduction for Pension Age applicants, Universal Credit and Tax Credits.</p> <p>It is anticipated that that in the region of 300 applicants will be affected. However, should any family experience Exceptional Hardship, they may apply to the Council for an Exceptional Hardship payment.</p>
13. Could the area being assessed have a differential impact on people due to them being transgendered or transsexual?	No	The Council's Council Tax Reduction scheme does not preclude transgendered or transsexual claimants from receiving help towards paying their council tax
14. Is there any evidence that people from different groups may have different expectations of the areas being assessed?	Yes	<p>The Council's Council Tax Reduction scheme applies to two distinct groups: pension age applicants and those of working age. The scheme for pension age applicant is determined by Central Government. The Council determines the level of income for working age applicants.</p> <p>It is possible that working age applicants expect the same level of support as pensioner applicants.</p> <p>Likewise, the changes in the new scheme may affect individual applicants is either a positive or negative way. In these cases, applicants may expect the same level of support as in previous years.</p> <p>All current Council Tax Reduction applicants will be contacted prior to their migration to the new scheme to explain any differences and to offer help and advice.</p> <p>Details of the new scheme will be published on the Council's website.</p>
15. Is the policy likely to affect relations between certain groups, for example because it is seen as favouring a particular group or denying opportunities to another?	Yes	<p>For the reasons given above, working age claimants could feel they are being unfairly treated.</p> <p>Council Tax liability for both pensioner and working age claimants is unaffected by the proposed legislation but the calculation of financial support and the subsequent award of that support is different for each group.</p>

16. Is the policy likely to damage relations between any particular groups and the Council?	Yes	<p>The Council will need to be aware that working age applicants may experience changes in their support from the current scheme. It is therefore possible that relations between working age claimants and the Council could be damaged.</p> <p>For this reason, any person receiving Council Tax Reduction may apply to the Council for additional support if they are experiencing Exceptional Hardship.</p> <p>Where this is determined, support may be provided up to the full amount of their Council Tax liability.</p>
17. Could the differential impact identified amount to there being the potential for adverse impact in this strategy/policy/service/procedure?	Yes	For the reasons given above.
18. Can this adverse impact be justified on the grounds of promoting equality of opportunity for one group? Or any other reason?	Yes	<p>The changes to the scheme are to significantly reduce the costs of administration due to the implementation of Universal Credit and the intention is to largely protect individual working age applicants.</p> <p>Pension age applicants will not be affected.</p> <p>There will inevitably be both winners and losers under the new scheme although it has been designed to minimise these and where applicants are likely to be adversely affected, they may apply for additional support through the Council's Exceptional Hardship fund.</p>
19. Do your staff know who the contact is for equalities issues within your directorate?	Yes	
20. Have all your staff attended an equality awareness training session?	Yes	

21. Have you set any equality performance indicators or objectives for your service?	Yes	The service will monitor the effect of the new scheme on a monthly basis through the first year of implementation and identify any potential unintended consequences
22. Actions arising from Part 1 of the Initial Assessment	No	
23. Should this Initial Assessment proceed to Part 2?	Yes	
24a. As a result of Part 1, is a Full Assessment necessary?	No	
24b. If Yes, on what evidence should this assessment proceed to a Full Assessment?	N/A	
25a. Date on which Full Assessment to be started by	N/A	
25b. Date on which Full Assessment to be completed by	N/A	

Signed (Completing Officer): *E. Watchman* - Signed (Lead Officer): *E. Watchman* - Date: 12/11/18

PART 2 - INITIAL CONSULTATION AND RISK ASSESSMENT					
26. In what areas are there concerns that the strategy/policy/procedure could have a differential impact?	Race No	Gender NO	Disability NO	Sexual Orientation NO	Age YES
	Religion or Belief NO	Dependants/ caring responsibility NO	Transgendered or Transsexual NO		
27. What concerns are there that the area being assessed could have a differential impact on relevant groups? Please explain (continue on a separate sheet if necessary).	<p>As mentioned in Part 1, the changes relate to Working Age applicants only. Pension age applicants will continue to be assessed under the prescribe requirements set by Central Government.</p> <p>The level of discount potentially available to working age cases will remain as with the current scheme (80%). The basis of calculation however has changed.</p>				
28. What are the risks associated with the area being assessed in relation to differential impact?	<p>The risks will be limited to those applicants who may lose support. These will be working age only and potentially larger families. In these cases, the Council can give additional assistance through the Exceptional Hardship Scheme.</p>				
29. Are there any experts/relevant groups who you can approach to explore their views on the issues?	YES		30. Please list the relevant groups/ experts	We have consulted with Major Preceptors, the Public and the Advice Sector	

31. How will the views of these groups be obtained?	Letter Y Meetings Interviews <input type="checkbox"/> Telephone <input type="checkbox"/> Workshops <input type="checkbox"/> Forum Questionnaires Y Other Full Consultation	32. Date on which each group/expert was contacted	Consultation period 27 July 2018 – 24 September 2018			
33. Please explain in detail the views of the relevant groups/experts on the issues involved (continue on a separate sheet if necessary).	See consultation responses					
34. Taking into account the views of the groups/experts and/or the available evidence, please clearly state the risks associated with the strategy/policy/procedure weighed against its benefits (continue on a separate sheet if necessary).	The risks identified in section 28 remain albeit that they are viewed to be low.					
35. Actions arising from Part 2 of the Initial Assessment	The recommendation is to proceed with the new scheme from 1 st April 2019					
36. As a result of Part 2, is a Full Assessment necessary?		NO (please sign below)	36a. Date on which Full Assessment to be started	N/A	36b. Date on which Full Assessment to be completed	N/A

Signed (Completing Officer): *C. Watchman* · Signed (Lead Officer): *C. Watchman* · Date: 12/11/18