

HDC Due Regard (Equality Analysis) Template

Due Regard (Equality Analysis) is an on-going proactive process which requires us to consider the effect our decisions are likely to have on local communities, service users and employees, particularly those most vulnerable and at risk of disadvantage.

This template has been designed to assist in the collation of information and evidence required to support the 'Due Regard' process when introducing new policies/procedures/functions and services or reviewing existing ones.

For help with this template please view the guidance document, which contains advice to assist you when you are considering the impact (both positive and negative) of the proposed actions on each of the protected equality characteristics.

Name of policy/procedure/function/service being analysed: Council Tax Reduction Scheme 2017/18

Department and section: Resources - Revenues and Benefits

Name of lead officer: Simon Riley

Other people involved: Leigh Butler

Date assessment completed: 30 November 2016

Step 1: Defining the policy/procedure/function/service

Is this a new, amended or reviewed policy? What are the aims, objectives and purpose and how will they be achieved? What are the main activities and which communities are likely to be affected by these activities? What are the expected outcomes?

Background

The caseload (CTB) trend had been rising each year, but since Council Tax Reduction scheme was introduced in 2013-14, following abolition of Council Tax Benefit, the caseload has reduced and currently stands at 3,673. Of those 1,026 are in receipt of a Department for Work & Pensions (DWP) out of work benefit and therefore receive the maximum 85% Council Tax Reduction. 1,953 of those are of pensionable age, and are not affected by the changes i.e. have their CTR calculated on 100% liability. The remaining 694 cases are from working age people in work but on a low wage who would be most affected by any change to the scheme. So this impact assessment focuses mainly on the effect of Working Age claimants.

Council Tax Benefit was replaced by a localised Council Tax Support (CTS) or reduction scheme from 1st April 2013. At its Spending Review 2010, the Government announced that it would localise support for Council Tax from 2013-14, reducing national Council Tax Benefit expenditure year on year. The Government grant to fund CTR was reduced and therefore the council needed to make up the shortfall from funds raised in the council tax collection fund. This was achieved by applying new powers to change the amount levied in Council Tax on empty properties

The Government has introduced new prescribed regulations to protect pensioners from the local scheme reductions and to retain certain existing regulations for people from abroad and appointees. The Council will have no choice but to ring-fence the necessary funding for this from the grant allocation. But if working-age claims rise, there will be no more grant money. The Government believes that it is right to protect council tax support for pensioners and that this should not be affected as a result of the introduction of this reform. This of itself could be viewed as a "positive discrimination" within the equalities assessment. The local scheme will therefore be for Working-Age claimants only, but the expenditure for the prescribed pensioner scheme and the local Working age scheme will be funded from the collection fund.

The Local Government Finance Bill of 2012 (Section 13A) makes provision for the localisation of council tax support in England by imposing a duty on billing authorities like Harborough District Council to approve a localised council tax reduction scheme by 31 January each year and prior to that e.g. during the autumn of the preceding year, to have consulted with major precepting authorities and such other persons as it considers likely to have an interest in the scheme.

What effect the change had?

Council Tax Benefit was replaced by a new localised support (or reduction) scheme, which must be drawn up by each council according to local needs. However, the Government stated that for people of pensionable age, a national scheme will still apply based on "prescribed requirements" set by Department for Communities and Local Government (DCLG) and with no reductions. Regulations for the prescribed scheme follow Royal ascent of the Local Government Finance Act 2012, in November 2012. The prescribed requirement regulations are updated each year to allow for annual uprating of pensions and allowances on these claims.

The working age element within the scheme follows this broad criteria:

- A limit on the maximum CTR (liability presented for CTR calculation) at 85%
- Full disregard of income from war pensions & war disability benefits
- Kept earnings disregards and the Working Tax Credit 30 hours disregard as an incentive for working.
- Kept the disregard of child benefit in the calculation to help families with children
- Protected vulnerable groups who qualified for a severe disability premium in the calculation of their DWP benefits or Housing Benefit.
- Provided a separate hardship fund to help those in exceptional circumstances

It is not proposed to alter the arrangements in 2017/18 other than to uprate DWP income and allowances and premiums as per prescribed regulations, therefore there is deemed no new impacts in terms of equality assessment.

The Department for Communities and Local Government (DCLG) also completed an Impact Assessment for the implementation of the legislation change in 2013, link for this:<http://www.communities.gov.uk/publications/localgovernment/lgfblocalisingcounciltax>

Step 2: Data collection & evidence

What relevant evidence, research, data and other information do you have and is there any further research, data or evidence you need to fill any gaps in your understanding of the potential or known affects of the policy on different communities? Include quantitative data as well as qualitative intelligence such as community input and advice.

Policy in Practice have been engaged to provide modelling data that could be considered if the existing scheme had been changed

Data source used for the analysis was extracted from our software application based on awards made in 2016/17.

Working age definition is those not in receipt state retirement pension (If both claimant and partner are of pensioner age)

Step 3: Consultation and involvement

Have you consulted and if so outline what you did and who you consulted with and why.

- On-line consultation from 4 August to 28 September 2016
- Consultation with Leicestershire County Council, Fire and Police authorities (major precepting bodies)
- Households in receipt of Council Tax Support had Individual letters to encourage response to the proposal

Step 4: Potential impact

Considering the evidence from the data collection and feedback from consultation, which communities will be affected and what barriers may these individuals or groups face in relation to Age, Disability, Gender Reassignment, Marriage and Civil Partnership, Pregnancy and Maternity, Race, Religion or Belief, Sex, Sexual Orientation, Other groups e.g. rural isolation, deprivation, health inequality, carers, asylum seeker and refugee communities, looked after children, deprived or disadvantaged communities and also the potential impact on Community Cohesion. Remember people have multiple characteristics so the impact of a policy on a particular community may impact people within the community differently. Where possible include numbers likely to be affected.

The Government have prescribed some requirements of the local scheme including maintaining existing regulations for:

- Claimants of pensionable age
- People from abroad (subject to prescribed legislation)
- Up-rating incomes & allowances on 1st April
- Continued [protection for War Widow income disregard (Permitted elements)

Effect on different groups in society

Does it cause harm or a benefit to any group(s) differently to others? Will it differently affect

- Black, Asian or other ethnic minority and/or cultural groups? **No**
- Disabled people? **Yes (positive affect as may be deemed vulnerable group)**

- Transgender people? **No**
- Men and women? **No**
- Lesbian, gay or bisexual people? **No**
- Different religious communities/groups? **No**
- People of a particular age e.g. older people or children and young people? **Yes - working age will see a reduction in benefit, pensioners will not see a change.**
- Any other groups? **No**
- People with flexible or agreed working patterns? **No**

Policy in Practice has been engaged to prepare a household level dataset showing the impact of each welfare reform, and all reforms combined, on each household. The household dataset is broken down into different sections, including:

- Household characteristics
- The impact of Coalition reforms (Local Housing Allowance freeze, under-occupation, £26k benefit cap, council tax support)
- The impact of major reforms in the current parliament (reduced benefit cap (£23k / £20k), Universal Credit)
- Reforms affecting new claimants
 - Family and child elements of child tax credits for 3+ children eliminated for new births / claims, Employment Support Allowance (ESA) awarded at the same rate as Job Seekers Allowance (JSA), 18-21 year olds to lose automatic entitlement to housing support and will be expected to 'earn or learn', Local Housing Allowance applied to the social-rented sector

Step 5: Mitigating and assessing the impact

If you consider there to be actual or potential adverse impact or discrimination, please outline this below. State whether it is

justifiable or legitimate and give reasons. If you have identified adverse impact or discrimination that is illegal, you are required to take action to remedy this immediately. If you have identified adverse impact or discrimination that is justifiable or legitimate, you will need to consider what actions can be taken to mitigate its effect on those groups of people. Consider what barriers you can remove, whether reasonable adjustments may be necessary and how any unmet needs have identified can be addressed.

From 2017 there are changes being made to housing benefit which will impact households financially and if the council tax reduction scheme had been amended. The tables below illustrate the financial impact to these groups.

****Note for the purpose of this analysis , disabled means a person within a household in receipt of a disability benefit at a Low, Medium or High Rate****

The Welfare reform Impact is the cumulative impact of reforms on households by 2017 for existing claimants only. The reforms included are under occupation, LHA Cap, the original Benefit Cap and the Lower Benefit Cap

Household Category					Household Category				
Working Age Single Claimants with Disabilities (Total 522 households)					Working Age Disabled Couples without children (Total 63 households)				
Level of Impact of Welfare Reforms at April 2017	None	Low	Medium	High	Level of Impact of Welfare Reforms at April 2017	None	Low	Medium	High
Number of households effected at this level	137	252	55	78	Number of households effected at this level	15	27	16	6
Average Weekly fall in income to the household due to reforms	£0	£4.31	£20.25	£82.23	Average Weekly fall in income to the household due to reforms	£0	£5.31	£19.37	£66.48

Household Category					Household Category				
Working Age Lone Parents with Disabilities (Total 142 households)					Working Age Disabled Couples with children (Total 89 Households) .				
Level of Impact of Welfare Reforms at April 2017	None	Low	Medium	High	Level of Impact of Welfare Reforms at April 2017	None	Low	Medium	High
Number of households effected at this level	29	85	13	15	Number of households effected at this level	39	39	5	6
Average Weekly fall in income to the household due to reforms	£0	£4.03	£18.54	£117.54	Average Weekly fall in income to the household due to reforms	£0	£4.72	£20.37	£123.76

The analysis shows that of the 817 households containing adults assessed to have some level of disability, 597 will be impacted at either a low , medium or high level due to welfare reforms by 2017. The total weekly reduction in income of the households effected due to Welfare Reforms equals £12,691.99

The major preceptors fund a discretionary hardship fund to support those people suffering financial hardship . In 2016/17 this was just over £20,000

Step 6: Making a decision

Summarise your findings and give an overview of whether the policy will meet Harborough District Council's responsibilities in relation to equality, diversity and human rights. Does it contribute to the achievement of the three aims of the Public Sector Equality Duty - eliminate unlawful discrimination, harassment, victimisation; advance equality of opportunity and foster good relations?

Some aspects identified e.g. the positive affect on people of pensionable age and some people from abroad, is a national scheme and cannot be amended or mitigated.

A full assessment may be necessary for the negative impact in terms of working age claimants and the impact on poverty

It is proposed that the current scheme is not changing in 2017/18

Step 7: Monitoring, evaluation & review of your policy/procedure/service change

What monitoring systems will you put in place to promote equality of opportunity, monitor impact and effectiveness and make positive improvements? How frequently will monitoring take place and who will be responsible?

The current scheme was subject to a comprehensive equality impact assessment in 2012. That assessment identified that our Council Tax Reduction Scheme had the potential to have a negative impact on working age people with disabilities, carers and some working age groups. To mitigate these potential impacts it was agreed that we would continue to treat people with disabilities and carers more favourably by disregarding some income, giving them a higher council tax reduction. The impact on working age groups was as a result of the Government protecting pension age people from any changes.

Equality Improvement Plan

Equality Objective :

Action: To collect data on gender, disability of claimants to inform future assessment of equality impact

Officer Responsible: Revenue and Benefits Partnership

By when: December 2017

Equality Objective :

Action:

Officer Responsible:

By when:

Equality Objective :

Action:

Officer Responsible:

By when:

Equality Objective :

Action:

Officer Responsible:

By when:

Signed off by: S Riley

Date: 30th November 2016

Once signed off, please forward a copy for publication to Julie Clarke, Equality and Diversity Officer
e-mail: j.clarke@harborough.gov.uk , telephone: 01858 821070.