

Chichester District Council

Equalities Impact Assessment Local Council Tax Support Scheme

Effective for the period 1 April 2018 to 31 March 2019

Equality Impact Assessment

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Partners/decision makers/implementers, etc.	Council Tax Reduction project team – to develop and design the scheme/s Community Engagement and Development team –to advise and assist on consultation process Members – Decision making Consultation will be carried out with relevant parties and will include: <ul style="list-style-type: none">• County Council• Police Authority• The community including stakeholders, council tax benefit recipients and taxpayers – through consultation• 									
Start date	The assessment process started in July 2017 when the Benefits Manager sought authorisation from Cabinet to consult on the proposed 2018-19 scheme.									
End date	Milestones that will influence impact assessment <table><tr><td>Milestones</td><td></td></tr><tr><td>11 July 2017</td><td>Cabinet authorisation sought to consult on 2018-19 scheme</td></tr><tr><td>25 September 2017</td><td>End of public consultation</td></tr><tr><td>12 October 2017</td><td>Consider the impact of any amendments to the scheme identified</td></tr></table>		Milestones		11 July 2017	Cabinet authorisation sought to consult on 2018-19 scheme	25 September 2017	End of public consultation	12 October 2017	Consider the impact of any amendments to the scheme identified
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		through the stakeholder and interested parties consultation.
	12 October 2017	Prepare results of impact assessment for consideration by Cabinet on 7 November 2017
	7 November 2017	Propose scheme to Cabinet for recommendation to Full Council
	21 November 2017	New scheme recommended for approval by Full Council
Relevance	<p>The Welfare Reform Act and Local Government Finance Acts of 2012 abolished the national council tax benefit (CTB) scheme and put in place a framework for local authorities to create their own local council tax reduction (CTR) schemes from April 2013.</p> <p>The Government legislated that people of pensionable age would continue to receive support based on national rules so local schemes only apply to working age claimants.</p> <p>The process to be undertaken to adopt a local scheme requires the following:-</p> <ul style="list-style-type: none"> • Consultation with major precepting authorities • Publication of a draft scheme • Consultation with other affected parties • Adoption of the scheme <p>Since its introduction Chichester District Council's local scheme has broadly followed the rules of the CTB scheme that existed prior to April 2013 and the current Housing Benefit (HB) scheme. This has meant that applicants for CTR have been supported as much as they were under the previous CTB scheme arrangements</p> <p>In 2013 Universal Credit (UC) was introduced in pathfinder Local Authorities, with roll out for the first phase of Local Authorities commencing in October 2013. In the Chichester District we have rolled out with UC for single people of working age. To date this has had minimal impact</p>	

	<p>as generally this group do not have housing costs. Full roll out for new UC claimants in the Chichester District will commence in April 2018. From this date UC will apply for all new working age claimants. Therefore we anticipate a significant increase in the number of claimants moving from HB to UC.</p> <p>The nature of UC means that our CTR claimants will have regular minor changes in their income which will result in regular changes in CTR entitlement if we retain our current scheme. Therefore a scheme based on income bands will be introduced for UC recipients which will reduced administration and provide more certainty by making it easier to understand and budget for this group of customers.</p> <p>It is acknowledged that in having a banded scheme there is the risk that a limited number of claimants may be worse off than they would have been. This will be mitigated by the discretionary hardship policy which is sufficiently flexible to ensure that claimants in Working Age Class F are not disadvantaged by the banded scheme.</p>
Policy Aims	To design and adopt a Local CTR Scheme which complies with legislation , is efficient to administer, is delivered within the prescribed time limits and financial constraints having due regard for the guidance issued by DCLG.
Available evidence	<p>DCLG has issued detailed guidance in respect of vulnerable people with particular duties in the following areas;</p> <ul style="list-style-type: none"> • General Equality Duty under the Equality Act 2010 • Duty to mitigate the effects of child poverty under the Child Poverty Act 2010 • The nations obligations as set out in the Armed Forces Covenant • Results of consultation with precepting authorities • Results of stakeholder and public consultation
Evidence gaps	<p>This proposal is for the 2018-19 scheme. Chichester's CTR scheme has protected people on the lowest incomes since 2013 and the intention is to continue to do so for the 2018-19. Working Age Class F has introduced income bands for the first time and it is acknowledge that there is a risk that the scheme will not protect those in vulnerable circumstances. This will be mitigated by the discretionary hardship policy which is sufficiently flexible to ensure that</p>

	<p>claimants in Working Age Class F are not disadvantaged by the banded scheme. This will be reviewed in future years and impact assessments will be carried out for any proposed changes.</p>
Involvement and consultation	<p><u>Major precepting authorities</u></p> <p>West Sussex County Council The Sussex Police Authority</p> <p><u>Stakeholders and interested parties</u></p> <p>Consultation ran between 4 August and 25 September 2017.</p> <p>Officers of Chichester District Council (CDC) felt that all residents could be considered as 'likely to have an interest in the operation of the scheme'. A consultation was therefore planned that would be open for all district residents to have their say about our draft scheme.</p> <p>The consultation was advertised in the news section of our website and on our Facebook and Twitter accounts. Posters and postcards inviting people to complete the survey online, or request a paper copy, were printed and made available in our office. Postcards were also included in all council tax bills sent out during the consultation period.</p> <p>The major precepting authorities were emailed directly to draw their attention to the consultation and to seek their comments on the CTR scheme in general.</p> <p>Responses received are detailed in the consultation document Council Tax – Local Council Tax Support Scheme 2018-19 – Final Report.</p>
What is the actual/likely impact?	<p>The way in which entitlement is calculated will remain in line with the preceding CTB scheme for Classes A to E and a new Working Age Class F for claimants receiving Universal Credit has been introduced. The amount of CTR awarded for claimants in Working Age Class F will be determined in accordance with the income bands shown in the 2018-19 CTR scheme. The</p>

	level of household income will be determined in accordance with the award of UC and household composition. It is acknowledge that there is a risk that the scheme will not protect those in vulnerable circumstances. This will be mitigated by the discretionary hardship policy which are sufficiently flexible to ensure that claimants in Working Age Class F are not disadvantaged by the banded scheme. See below for detailed assessment of anticipated impact.
Address the impact	Chichester's CTR scheme has protected people on the lowest incomes since 2013 and the intention is to continue to do so for the 2018-19. Working Age Class F has introduced income bands for the first time and it is acknowledge that there is a risk that the scheme will not protect those in vulnerable circumstances. This will be mitigated by the discretionary hardship policy which is sufficiently flexible to ensure that claimants in Working Age Class F are not disadvantaged by the banded scheme. See below for detailed assessment of anticipated impact of the proposed administrative changes.
Monitoring and review	Classes A to E has been monitored since 2013 and the monitoring has been used to influence the following year's scheme. Monthly monitoring for Working Age Class F will be used to identify any anomalies in entitlement and to influence the 2019-20 schemes should it be necessary.
Action Plan	Located in s/drive/Finance/Revenues/Managers/Benefits/CTR scheme 2018-19
Decision making and quality control	Cabinet 7 November (recommend to Full Council) Full Council 21 November (to approve the 2018-19 scheme) Monitoring will commence in 2011-12

Analysis of impact on those affected

Financial impact on services of maintaining CTR at current levels	Positive	Negative
Chichester District Council and Council Tax payers of the district	Chichester District Council is committed to delivering high quality service to our residents but is mindful of the Government's commitment to tackling the budget deficit which has resulted in reduced local government financial settlements for the next few years. Simplification of administration of proposed CTR should reduce the costs.	There will be a financial impact on the major precepting authorities of any level of support provided through the CTR scheme which cannot be met by additional income raised through the changes to council tax discounts, exemptions on some empty and second homes. Funding any shortfall may result in a reduction in services which could have a negative impact on the local economy, and services for example local planning, and environmental health services.

Impact on vulnerable groups	Positive	Negative
Pension age claimants	The Government is committed to protecting pensioners on low incomes and does not want to see this group disadvantaged by this reform. Regulations to protect pensioners will be contained in the Prescribed Requirements Regulations.	2018 Uprating will increase spend by rate of inflation as at September 2017. Approximately 50% of CDC's caseload are claims in this group which mean that the budget reduction is equal to 20% for working age claimants.
Working age claimants Single person household Couple no children	CDC's scheme for 2018-19 will maintain current levels of support for these groups of working age claimants subject to	2018 Uprating will increase spend by rate of inflation as at September 2017.

Couple children Lone parent families Disabled working age claimant	<p>changes in circumstances and the impact of the banded scheme.</p> <p>Work incentives are included in the CTR scheme</p>	Members are committed to supporting the most financially vulnerable in our communities. Any funding shortfalls will be met by service efficiencies rather than cutting front line services.
War Widows and War Pensioners	CDC wishes to protect working age claimants currently in receipt of war widows, war widowers or war disablement pensions and intends to continue its local decision to disregard these types of income in full when calculating entitlement under CTR.	<p>2018 Uprating will increase spend by rate of inflation as at September 2017.</p> <p>Members are committed to supporting the most financially vulnerable in our communities. Any funding shortfalls will be met by service efficiencies rather than cutting front line services.</p>
Pregnancy and maternity	CDC's draft scheme for 2018-19 will maintain current levels of support for working age claimants in this group subject to changes in circumstances.	<p>2013 Uprating will increase spend by rate of inflation as at September 2013.</p> <p>Members are committed to supporting the most financially vulnerable in our communities. Any funding shortfalls will be met by service efficiencies rather than cutting front line services</p>
Race	The scheme does not treat people in these groups differently. Facilities are available for those who whom English is not their first language	
Gender	The scheme does not treat people in these groups differently.	
Sexual orientation	The scheme does not treat people in these groups differently.	
Religious beliefs	The scheme does not treat people in these groups differently.	

Direct impact of proposed changes on working age claimants

Change	Group	Positive	Negative
A banded scheme to be introduced for working age claimants.	All new UC claimants	Will make the scheme easy to understand and will assist the claimant with their regular budgeting.	There may be a minority of claimants who are worse off under the banded scheme. This will be mitigated by the discretionary hardship policy

Results of public and stakeholder consultation

Results	Conclusion	Respondents general comments	Address comments
52.9% of respondents either agreed or strongly agreed that a banded scheme for UC claimants should be implemented with 18.5% either disagreeing or strongly disagreeing. The remaining 28.6% responded neither or don't know.	In general respondents prefer the proposal to introduce a banded scheme	<p>Banded scheme makes perfect sense all claimants know exactly where they stand.</p> <p>Banding would seem fairer but the bands need to be very carefully calculated.</p> <p>A banded scheme will help trap people in poverty by ensuring at a small increase in income has a huge impacted on household costs and vice versa. This will lead people to stay in very low paid jobs</p>	<p>N/A</p> <p>The impact of the banded scheme will be closely monitored in 2018-19 and any anomalies will be addressed in the 2019-20 scheme. The discretionary hardship policy will be sufficiently flexible to ensure that claimants are not disadvantaged by the banded scheme.</p> <p>This risk will be mitigated by the discretionary hardship policy. The impact of the banded scheme will be closely monitored in 2018-19 and any anomalies will be addressed in the 2019-20 scheme</p>

		<p>/ reduce their hours to game the system.</p> <p>A banded scheme would unfairly penalise disabled people that receive additional income from disability benefits.</p>	<p>This will not be the case because of the UC calculation will take their disabled status into account when calculating entitlement.</p>
<p>80.3% of respondents either agreed or strongly agreed that a discretionary hardship fund should be implemented if the banded scheme is implemented with 4.2% disagreeing, the remaining 15.5% responded neither or don't know.</p>	<p>The majority of respondents support a discretionary hardship fund to ensure that claimants are not disadvantaged by the banded scheme.</p>	<p>No comments</p>	
<p>28.2% of respondents either agreed or strongly agreed that there should be no changes to the existing CTR scheme with 33.8% either disagreeing or strongly disagreeing, the remaining 38% responded neither or don't know.</p>	<p>In general respondents support the need for change to introduce a banded scheme.</p>	<p>No comments</p>	
<p>Overall of the two options the banded scheme for UC claimants was preferred by 49.3% of respondents, making no changes was preferred by 29% of respondents with 21.7% responding don't know.</p>	<p>In general respondents support the need for change to introduce a banded scheme</p>	<p>No comments</p>	

Summary of impact assessment results

The aim of the scheme is to support people on the lowest incomes. This scheme for 2018-19 is based on the 2017-18 scheme but has introduced a new Working Age Class F for new UC claimants. For existing claims the impact on working age claimants including families, working people, the vulnerable groups and the groups with protected characteristics is negligible because their entitlement will be based on the current scheme (subject to amended figures). The new Working Age Class F introduces a banded scheme for the first time and it is acknowledged that there is a risk that the scheme will not protect those in vulnerable circumstances. This will be mitigated by the discretionary hardship policy which is sufficiently flexible to ensure that claimants in Working Age Class F are not disadvantaged by the banded scheme.