

Chichester District Council

Equalities Impact Assessment Local Council Tax Reduction Scheme

Effective for the period 1 April 2019 to 31 March 2020

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 2018 when the Revenues Business Support Manager sought authorisation from Cabinet to consult on the proposed 2019/20 scheme.									
End date	Milestones that will influence impact assessment <table><tr><td>Milestones</td><td></td></tr><tr><td>3 July 2018</td><td>Cabinet authorisation sought to consult on 2019/20 scheme</td></tr><tr><td>3 September 2018</td><td>End of public consultation</td></tr><tr><td>11 October 2018</td><td>Consider the impact of any amendments to the scheme identified through the stakeholder and interested parties consultation.</td></tr></table>		Milestones		3 July 2018	Cabinet authorisation sought to consult on 2019/20 scheme	3 September 2018	End of public consultation	11 October 2018	Consider the impact of any amendments to the scheme identified through the stakeholder and interested parties consultation.
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	11 October 2018	Prepare results of impact assessment for consideration by Cabinet on 6 November 2018
	6 November 2018	Propose scheme to Cabinet for recommendation to Full Council
	20 November 2018	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. Last year saw the biggest change in the scheme with a new class being introduced to the scheme. This new class F was introduced for claimants in receipt of Universal Credit (UC). Reduction for this class is calculated in accordance with income bands rather than the means test that applies to the other classes in the scheme. The roll out of UC full service (UCFS) across the District from July 2018 prompted this change. From this date UC replaced all legacy benefits (including HB administered by the Council) for all new working age claims. As UC is intended to mimic work in how it is paid, this means that for customers with variable pay can</p>	

	<p>expect to see the amount of UC awarded each month change in relation to their earnings. Under previous rules this would have resulted in a monthly change in the level of reduction, and this would have increased cost of administration of the scheme. Therefore the introduction of a banded scheme for this class was aimed at reducing the cost of administration while maintaining levels of support.</p> <p>For the 2019/20 scheme only some minor changes have been recommended. This includes the realignment of start dates with HB, a flat rate non-dependant deduction, bringing the means tested classes in line with the changes that have occurred in the HB scheme, including premiums, living allowances and non-dependant deductions. When the new class F was introduced the Council were keen to ensure that customers should not be disadvantaged by the introduction of the new scheme, therefore it ensured that its Discretionary Policy that sits within the scheme was sufficient to ensure that customers could receive additional support on a discretionary basis should they be disadvantaged. This part of the scheme has been reviewed to cover this as well as introducing a commitment to support Care Leavers under the age of 25 by identifying them as a vulnerable group.</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	This proposal is for the 2019/20 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 2019/20

	<p>scheme. It is acknowledged that as a consequence of the delay in the roll out of UC (in 2017 it was planned to be introduced from April, this was subsequently delayed until July 2018) that it is still unknown whether the bandings that are in place for UC claimants will be set at appropriate levels to ensure that support levels are maintained. This will be monitored to inform future schemes and any loss of support mitigated by the provisions within the discretionary policy that sits within the scheme.</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 9 July and 3 September 2018.</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 2019/20 Final Report.</p>
What is the actual/likely impact?	<p>The amendments that are proposed to scheme for 2019/20 is likely to have little impact, other</p>

	<p>than to ease administration of the scheme. The introduction of a flat rate non-dependant deduction will make the scheme for this group of customers fairer and easier to administer and understand. The realignment of start dates will reduce the need for manual intervention when processing applications, again making it easier to administer and understand.</p>
Address the impact	<p>Chichester's CTR scheme has protected people on the lowest incomes since 2013 and the intention is to continue to do so for the 2019/20. The introduction of class F in 2018/19 will be monitored to ensure that the scheme provides equivalent levels of support. In cases where it does not this will be mitigated by the discretionary hardship arrangements which are sufficiently flexible to ensure that claimants in Working Age Class F are not disadvantaged by the banded scheme. As stated last year this and the other amendments will be monitored which will inform the scheme for 2020/21. See below for detailed assessment of anticipated impact of the proposed administrative changes.</p>
Monitoring and review	<p>Monitoring the effectiveness of all areas of the scheme will be used to identify any anomalies in entitlement and to influence the future design of the scheme.</p>
Action Plan	<p>Located in s/drive/Finance/Revenues/Managers/Benefits/CTR scheme 2019/20</p>
Decision making and quality control	<p>Cabinet 6 November (recommend to Full Council) Full Council 20 November (to approve the 2019/20 scheme)</p> <p>Monitoring will continue in 2018/19 and into 2019/20.</p>

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 maintaining levels of support to those in its communities that are on low incomes and eligible for a reduction while at the same time seeking to reduce the cost of administering the scheme.	<p>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.</p> <p>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.</p>

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.	<p>2019 uprating will increase spend by rate of inflation as at September 2018.</p> <p>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.</p>
Working age claimants Single person household Couple no children	The scheme aims to maintain levels of support for these groups of working age claimants subject to the impact of the	2019 uprating will increase spend by rate of inflation as at September 2018.

Couple children Lone parent families Disabled working age claimant	<p>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	The scheme continues to support claimants currently in receipt of war widows, war widowers or war disablement pensions and intends to continue its local decision to fully disregard these types of income when calculating entitlement to local CTR.	<p>2019 Uprating will increase spend by rate of inflation as at September 2018.</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	The scheme for 2019/20 will maintain current levels of support for working age claimants in this group.	<p>2019 Uprating will increase spend by rate of inflation as at September 2018.</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
Introduction of a flat rate non-dependant deduction from UC claimants falling into working age class F.	All claimants falling into working age class F.	As the calculation of UC entitlement includes a flat rate deduction for a non-dependant. The application of a flat rate deduction for those within class F, ensures fairness, maintains consistency and makes the scheme easier to understand. It also eliminates the need to obtain information, as these details are not passed through from the Department of Work and Pensions. This reduces customer contact and the administration associated with this.	From the consultation it is evident that some customers who are not on UC and therefore in class F feel that the application of a lower flat rate is unfair. However as there is also a deduction within the UC calculation this mitigates this criticism. Like all amendments made to the scheme. The intention is to simplify and reduce the cost of administration rather than to reduce or increase levels of support.
Realignment of start date with HB	All working age classes.	Reduces the need for manual intervention when processing claims. This is particularly important with the use of online technology.	Could mean that some customers will be disadvantaged if they delay making their application. This is mitigated by the discretion that exists within the scheme that can be used where a customer demonstrates vulnerability.
Aligning the scheme with HB	All working age classes (except class F)	Eases administration and makes the scheme easier to understand.	If allowances rates and premiums increase or decrease dramatically then this could

			impact on the cost of the scheme.
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Results of public and stakeholder consultation

Results	Conclusion	Respondents general comments	Address comments
86.9% of respondents agree that Council Tax Reduction and Housing Benefit claims should start on the same day, 7.4% were uncertain or felt strongly neither way and 5.6% disagreed.	A high percentage of respondents agreed that this should be implemented.		None to address.
37.1% of respondents said that non-dependant deductions for UC claims should remain the same as working age deductions, 37.1% agreed that they should be introduced at a flat rate and 22.9% were unsure.	The majority of respondents supported the proposal. It was clear from the comments that some people were unsure. This could have been explained better in the consultation to ensure that those responding were clearer about the reasoning behind the proposals.	Comments included that non - dependant deductions should remain the same as for other working age claimants, indicating that a flat rate of the lowest deduction was unfair in comparison to the deductions that apply to other classes in the scheme. Other comments suggested that they should be higher.	As per conclusion, I think these comments were indicative of a question that was not fully explained. The idea of a flat rate for this class is to reduce the impact of deductions that apply in the UC calculation and to reduce the requirement for contact with this class in a process that aims to rely on data supplied directly from the DWP. This will not include non-dependant data.
36.4% of respondents said that they though the proposed flat rate of £3.90			

<p>was about right, with 30.8% said it was too low, 24.3% said they were unsure and 8.4% said that they thought it was too high.</p> <p>Three quarters of respondents agree that the existing banded scheme should be expanded to include all working age claims. 44.9% of respondents agreed, and 22.9% strongly agreed that it should be expanded.</p> <p>More than four out of five respondents said they would support the introduction of <i>De Minimus</i> parameters. Most respondents (55.3%) felt that £1.00 was a suitable amount, with 19.4% saying that they thought 50p and the remaining 25.2% saying other. Of those that said other most thought that £10 would be about right.</p> <p>35.5% were uncertain or had no strong feelings either way and a further 35.5% did not feel that the existing CTR</p>	<p>Officers have decided to just update the scheme with the amendments that are required for 2019/20. With a view to carrying out a fuller consultation around either the expansion of a banded scheme for working age claimants or the introduction of a concept such as de minimus parameters, as essentially these two concepts do similar things.</p> <p>As above Officers have decided to just update the scheme with minor</p>	<p>Comments like 'a sensible approach to support people' supported the idea of the introduction of De Minimus rules. Other comments like; I don't understand' indicated that the concept requires a fuller explanation.</p>	<p>The comments supported the Officers decision to explore these concepts further in future schemes. A more detailed consultation will be considered to give communities a better idea of the advantages and disadvantages of both options. It was also considered better to have future changes of this nature informed by the performance of the banded scheme for UC claimants that was introduced in 2018.</p>
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scheme should be kept the same. 29% of respondents agreed that the current scheme should remain unchanged.	changes, aimed at ensuring that entitlement is maintained whilst enabling some savings in the cost of administering the scheme to be made.		
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Summary of impact assessment results

The aim of the CTR scheme is to provide equivalent levels of support that existed under the National CTB scheme that existed prior to the introduction of local schemes. All the changes that have been made since the introduction of local schemes support this aim. The financial pressures faced by local government are also a consideration and therefore changes are also mindful of the need for the scheme to be cost effective to administer whilst maintaining levels of support. The proposed scheme 2019/20 is designed with these aims.