

## Equality Impact Assessment

### Council Tax Reduction Scheme (CTRS)

This assessment looks at actual or possible impacts of a change to our scheme in relation to equalities and human rights – to make sure it works fairly for people.

The first part of this form is to demonstrate the extent (or 'scope') of what this assessment covers:

<b>Name of policy/activity/project/practice</b>	<b>This is:</b>
Council Tax Reduction Scheme	A change to existing policy/activity/practice

<b>Screening undertaken by: (please complete as appropriate)</b>	
Director or Head of Service	Robin Bates (LGSS)
Lead Officer for developing the policy/activity/practice	Robin Bates (LGSS)
Other people involved in the screening (this may be people who work for NBC or a related service or people outside NBC)	Revenues & Benefits Management Team (LGSS)  Finance

**Brief description of policy/activity/project/practice:**

Northampton Borough Council is proposing an amendment to the Council Tax Reduction Scheme (CTRS) from the 1<sup>st</sup> April 2015. If agreed, the amendment will see the amount of financial support available for all working-age applicants decrease.

The current CTR scheme reduces the support for all working age customers by 15% to ensure an approximate 10% funding gap is bridged. The funding gap stems from a reduction in the grant received from central Government to pay for the scheme.

Due to the ongoing funding gap a further reduction in the amount of support available to working age customers is being considered.

The scheme still provides for a means-tested discount to provide financial support to low income families towards their Council Tax bill.

**The main issues that we have to consider in relation to the proposed changes to this policy in relation to equality and diversity issues are:**

Northampton Borough Council has a statutory duty to have and administer a CTR scheme, although once in place there is no statutory requirement to amend the scheme.

The requirement to amend our scheme stems from the need to bridge a funding gap, to achieve a saving while managing spending within lower limits.

If the proposed change to our CTR scheme is agreed it will mean that all working age CTR recipients will see the amount of discount they receive from the scheme reduce from the 1<sup>st</sup> April 2015.

Groups who are protected from the proposed change are:

- 1) Pension age recipients
- 2) Working age recipients in receipt of either of the following:
  - a. War Widows Pension
  - b. War Disablement Pension

The protection afforded to pensioners is a statutory requirement and we have no authority at a local level to change this. However, the decision to protect working age customers in receipt of the benefits listed above was a local decision made for the implementation of our CTR scheme from the 1<sup>st</sup> April 2013.

All decisions made in relation to the assessment of their applications will be subject to an independent appeals process.

### Evidence Base for Screening




The table below summarises the information or evidence that we have used in relation to each equality group.

Equality Group	<p>The following relates to each of the groups listed on the left:</p> <ul style="list-style-type: none"> <li>• CLG Localising Council Tax Equality Impact Assessment and update</li> <li>• Northampton Council tax database</li> <li>• Council Tax Benefit database</li> <li>• EIA's from other NBC departments that are relevant for this assessment.</li> <li>• Consultation responses</li> <li>• Unemployment by Constituency Research Paper (October 2013)</li> <li>• Local Government Association Report – The Local Impacts of Welfare Reform (August 2013)</li> <li>• Public Health England - Health Profile 2013</li> <li>• Minutes for the local forums attended.</li> </ul>
Age	
Disability	
Carers (for elderly, disabled or minors)	
Sex	
Gender Reassignment	
Pregnancy and Maternity (incl. breastfeeding)	
Race	
Religion or Belief	
Sexual Orientation	
Human Rights	
Marriage and Civil Partnership	

NB: Currently the Benefit data available only includes details of age, gender, receipt of disability award/benefit and relevant household composition.

## Step 2: Involvement and Consultation

Outlined below is the previous consultation exercise that was conducted in relation to this policy in 2013:

Equality Group	<p>A similar consultation was carried out in 2013, as part of the implementation of our year 1 CTR scheme.</p> <p>The links below show the previous consultation methodology, results and EIA</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">   <a href="#">CTRSII Consultation results 2013.docx</a> </div> <div style="text-align: center;">   <a href="#">CTRSII EIA 2013 .doc</a> </div> <div style="text-align: center;">   <a href="#">CTRSII - Specific Protection) (v3).doc</a> </div> </div>
Age	
Disability	
Carers (for elderly, disabled or minors)	
Sex	
Gender Reassignment	
Pregnancy and Maternity (incl. breastfeeding)	
Race	
Religion or Belief	
Sexual Orientation	
Human Rights	
Marriage and Civil Partnership	

### Our previous consultations demonstrated the following in terms of resulting activities or services:

Our CTR scheme is a statutory service and is available for all residents of Northampton who wish to apply. Take up of the service is governed by a number of personal circumstances e.g. breakdown of a partnership or job loss and often goes hand-in-hand with applications for Housing Benefit made directly to the Jobcentre or Pension Service.

Our scheme is published on the Northampton Borough Council website with an on-line application form.

### Step 3: Data Collection and Evidence

**The current data and evidence that we hold provides the following baseline position for those who rely on the Council Tax Reduction scheme:**

A full consultation has been carried out and ran from the 13<sup>th</sup> October 2014 to the 9<sup>th</sup> November 2014.

The consultation included the following:

- On-line survey
- News release
- Social media (Facebook, Twitter, etc.)
- Northampton Borough Council's internet and intranet pages
- All e-mail communication from the Benefit, Council Tax and Customer Services mailboxes included an invitation link to take-part in the consultation
- Display screens in the One Stop Shop
- Details of the consultation was emailed to the Multi Agency Forum and our welfare partners, including registered social landlords
- Invitations to participate was sent to key stakeholders, including Precepting Authorities, parishes, local Councilors and Members of Parliament
- Engagement with housing associations and voluntary and community sectors via their various networks
- 2,400 email invitations was issued to email addresses held on the Benefit and Council Tax database

For full details on the methodology used and the results of the consultation please refer to: Cabinet Report (Appendix B – Consultation).

Data available in addition to our consultation results shows that many claimants will also be managing the impact of other welfare reforms e.g.

- Social sector size criteria reductions to Housing Benefit
- Replacement of Disability Living Allowance with Personal Independence Payments
- National benefit cap
- Increased non-dependent deduction rates
- Reduced uprating percentage for benefits and tax credits.
- National roll out of Universal Credit

- Potential freeze on benefit rates for the working Age Group (excluding disability benefits)

Implementing a change to the CTR scheme which will result in increased financial hardship (in addition to the other welfare reforms stated above) could also impact on health. In Northampton deprivation is higher than the national average with about 8,500 children living in poverty. In addition life expectancy is 8 years lower for men and 5 years lower for women in the most deprived areas of Northampton.

## Step 4: Assessing impact and strengthening the policy

The following table highlights what evidence we have on how the proposed changes will affect different groups and communities in relation to equality and human rights:

All working age claimants will face a reduction in the amount of Council Tax support they receive from the 1<sup>st</sup> April 2015, irrespective of any protected characteristics:

Equality Group	Risks (Negative)	Opportunities (Positive)
Age	<p>The impact of this policy will disproportionately affect working age people. In addition, there may be an adverse effect on those under 25 as they receive reduced amounts of benefit based on their age.</p> <p>Children of low income families may also be adversely affected if their parent(s) have to find additional money to cover a reduced CTR discount.</p> <p><b>Specific Consultation Responses:</b></p> <p>There were no specific consultation responses regarding this protected characteristic.</p> <p>Regarding Question 4 where we are considering removal of paper notifications for CTR, 3 people expressed concerns that the elderly will not be able to access the electronic system.</p>	<p>The Government has recognised that low-income pensioners cannot be expected to increase their income through paid work and therefore are to be protected from any reduction in their entitlements.</p> <p>Our CTR scheme will continue to provide a more generous means-test for those with dependent children or young persons.</p> <p>Measures will be in place to ensure that those unable to access the internet or, with limited capability will still receive notifications.</p>

Disability	<p>The impact of this policy will affect all working age customers, even those where either they or a member of their household have a disability.</p> <p>It will place an additional strain on their finances. This will be further impacted as the increased reduction is not linked to the increase of benefit rates.</p> <p><b>Specific Consultation Responses:</b></p> <p>A respondent who is disabled stated that he is currently struggling to pay so; an increase to 20% will have a significant impact on him. He feels that consideration has not been given to the fact that he pays for 24hr care and believes that the severely disabled should be exempt from paying anything.</p> <p>A respondent who is unemployed and suffering with depression has stated that the decision could have a huge impact on his physical and mental wellbeing.</p> <p>Another respondent who is blind stated he has had to find an additional £70 per week towards his care package this year and that all of these other increases that disabled people are faced with should be considered.</p> <p>A respondent believes that the proposal will penalise those that are already disadvantaged.</p> <p>A respondent who is disabled has asked that increases are kept to a minimum as the incoming benefits do not increase enough to cover all increases in all household expenses.</p>	<p>Working age customers who are in receipt of War Disablement or Widows Pension will be protected from this change.</p> <p>Our CTR scheme will continue to provide a more generous means-test for those receiving Disability Living Allowance or Personal Independence Payments.</p>
Carers (for elderly, disabled or minors)	<p>The impact of this policy will mean that all working age carers are affected regardless of who they are caring for.</p> <p><b>Specific Consultation Responses:</b></p>	<p>The means-test also allows for a higher applicable amount and an increased earnings disregard for carers.</p>



	There were no specific consultation responses regarding this protected characteristic.	
Sex	None identified so far through this review.  <b>Specific Consultation Responses:</b>  There were no specific consultation responses regarding this protected characteristic.	None identified so far through this review
Gender Reassignment	None identified so far through this review.  <b>Specific Consultation Responses:</b>  There were no specific consultation responses regarding this protected characteristic.	None identified so far through this review
Pregnancy and Maternity (incl. breastfeeding)	None identified so far through this review.  <b>Specific Consultation Responses:</b>  There were no specific consultation responses regarding this protected characteristic.	None identified so far through this review
Race	It is not intended that this policy will disproportionately affect any particular ethnicity. Consideration should be given to how the scheme is communicated in relation to potential language barriers.  <b>Specific Consultation Responses:</b>  There were no specific consultation responses regarding this protected characteristic.	We manage the current CTR & Housing Benefit schemes and are used to working with customer's whose first language is not English. We often work with the Language Line to help support these customers.

Religion or Belief	<p>None identified so far through this review.</p> <p><b>Specific Consultation Responses:</b></p> <p>There were no specific consultation responses regarding this protected characteristic.</p>	None identified so far through this review
Sexual Orientation	<p>None identified so far through this review.</p> <p><b>Specific Consultation Responses:</b></p> <p>There were no specific consultation responses regarding this protected characteristic.</p>	None identified so far through this review
Human Rights	<p>None identified so far through this review and Northampton Borough Council has not been subject to any Judicial Reviews for our current scheme.</p> <p><b>Specific Consultation Responses:</b></p> <p>There were no specific consultation responses regarding this protected characteristic.</p>	None identified so far through this review
Marriage and Civil Partnership	<p>This may impact on lone parent households, where there is only one parent able to secure work which can also be hampered by child care concerns.</p> <p><b>Specific Consultation Responses:</b></p> <p>There were no specific consultation responses regarding this protected characteristic.</p>	The means-test process for the discount allows for increased earnings disregards for lone parents. In addition, the means-test also includes disregards for child care costs.

All responses to the consultation are included as an appendix to the document entitled Cabinet Report (Appendix B – Consultation)

**Proportionality**

The scale and likelihood of these risks and opportunities are shown below:

Based on Northampton Borough Council's caseload data from November 2014 we have 17,497 applicants in receipt of a CTRS discount. Of these 6,675 are of pension age and are protected from these proposed changes.

This leaves 10,822 CTRS recipients who will be impacted and if the proposed changes are adopted will receive less financial support as of 1<sup>st</sup> April 2015 than they are currently receiving under the scheme this year. This equates to 62% of our caseload.

Data in relation to Jobseekers Allowance across Northampton for October 2014 does show a fall in claimants when compared to the previous year. There will be many reasons why the number of jobseekers has fallen e.g. the claimants have moved into work. However, this alone does not indicate a downward trend in CTRS applicants, especially if those Jobseekers move into low paid work and still require some level of financial support through the CTR scheme.

Many claimants will also be managing the impact of other welfare reforms e.g.

- Social sector size criteria reductions to Housing Benefit
- Replacement of Disability Living Allowance with Personal Independence Payments
- National benefit cap
- Increased non-dependent deduction rates
- Reduced uprating percentage for benefits and tax credits.
- National roll out of Universal Credit
- Potential freeze on benefit rates for the working Age Group (excluding disability benefits)

**What measures does, or could, the policy include helping promote equality of opportunity?**

As a means-tested discount the policy would be applied equally to all applicants.

**What measures does, or could, the policy include addressing existing patterns of discrimination, harassment or disproportionality?**

There is a statutory requirement to ensure that all pensioners are protected from these changes, the result is that the proposed reductions will affect all working age customers.

**What impact will the policy have on promoting good relations and wider community cohesion?**

This is not within the remit of the policy, which is aimed at ensuring a balanced budget to prevent the impact on other vital local services.

**If the policy is likely to have a negative effect ('adverse impact'), what are the reasons for this?**

The policy will have a negative impact on those in Northampton who are working age and on low incomes. The reason for this is that the proposed change will reduce the amount of financial support they receive which could adversely affect their ability to afford their household expenses. It could also lead to decisions over which necessities may need to be sacrificed e.g. the choice between food or heating.

**What practical changes will help reduce any adverse impact on particular groups?**

Please see table above and Step 6 below

**Have you considered including treating disabled people more favourably where necessary?**

Yes – Cabinet Report (Appendix A – Specific Protection)

**What evidence is there that actions to address any negative effects on one area of equality may affect other areas of equality or human rights?**

The means-test element of our CTR scheme is largely based on the legislation for the previous CTB scheme, from which there were no outstanding legal challenges.

**What will be done to improve access to, and take-up of, services or understandings of the policy?**

- All information about the scheme, including an electronic application form will be published on our website, along with other national websites.
- We provide a range of methods by which the service can be accessed:
  - On-Line
  - By telephone
  - In person at the One Stop Shop
  - Home visits
  - Use of Language Line and interpreters.
- The service is also promoted by the Jobcentre and the Pension Service along with a wide range of other welfare partners.
- Training and briefing sessions will be arranged for all affected internal staff, plus external welfare partners to ensure everyone is aware of the scheme and the changes.

## Step 5: Procurement and partnerships

Consideration of external contractor obligations and partnership working:

Northampton Borough Council has a statutory requirement to operate a local CTR scheme. The scheme is currently being administered under a 'shared service agreement' by LGSS on behalf of Northampton Borough Council.

The Revenues & Benefits team that provides this service for LGSS on behalf of Northampton Borough Council are the same team that administers the current CTR scheme. The team is also responsible for the administration of both Council Tax and Housing Benefit.

The wealth of knowledge and experience within the Revenues & Benefits team, along with a strong focus on performance management ensures that there are no concerns stemming from this arrangement.

## Step 6- Making a Decision

Our findings in relation to whether the policy will meet the council's responsibilities in relation to equality and human rights are summarised below:

We have identified the potential for these proposed changes to have an adverse impact on some groups with protected characteristics.

As this change will impact all working age customers there may be a disproportionate impact on groups with the following protected characteristics:

- Working age customers, including those with dependent children.
- Customers where either they or a member of their household is disabled.
- Carers
- Lone parents
- Families or lone parents where income is reduced to Statutory Maternity Pay or Maternity Allowance

However, our CTR scheme will continue to operate as a means-tested discount, which will take into consideration applicants on a low income. In addition, the means-test is still more generous for applicants where there is a disabled household member, for those with dependent children or are carers.

This is detailed in Cabinet Report (Appendix A – Specific Protection)

We have also developed a new recovery approach for customers in receipt of a CTR discount who also have Council Tax arrears:

- Recovery action commences after three months of arrears as opposed to two months for non CTR recipients.
- Small debts may not be summonsed, which means court costs are not added. These debts are reviewed regularly and will continue to be reviewed in-line with the impact if the proposed changes are implemented.
- Prior to a summons being sought for debts over £82.40 the account is passed to our Recovery Team to attempt to make contact by phone. The purpose of the call is to explain the changes from CTB to CTR then discuss the outstanding balance and then make an arrangement with the customer to pay.
- If we are unable to contact the customer by phone a voicemail message is left and an additional letter issued asking the customer to contact us.
- In the event that the debt still needs to be passed for Enforcement Agent recovery these are sent as a specialist welfare case, so that a more lenient approach is taken.
- We also have a write off policy so we can consider exceptional requests of hardship.

**Other Considerations:**

- Creation of a hardship fund to be administered on a discretionary basis.
- Creation of other protected groups e.g.
  - Those receiving Employment & Support Allowance with the Support Component,
  - Those receiving Disability Living Allowance with the care component at the highest rate.
  - Personal Independence Payments with the daily care element at the highest rate.

## Step 7 – Monitoring, evaluating and reviewing

**How will you monitor the impact and effectiveness of the policy or activity?**

**How will the recommendations of this assessment be built into wider planning and review processes?**

The proposed changes to our CTR scheme, and their impact on groups with protected characteristics, will be monitored, evaluating and reviewed through a number of mechanisms:

### **1) Impact on the Council Tax collection rate:**

The collection rate of Council Tax is monitored regularly and provides an accurate figure of the amount of Council Tax collected as a percentage of the total tax expected to be collected. This data is reviewed and discussed monthly, with comparisons drawn to previous years – this allows any changes in the collection rate can be identified. This will provide a broad view of how people are responding to the repayment of an increased amount of Council Tax.

### **2) Review of Council Tax recovery action:**

A review of Council Tax recovery action in relation to customers receiving a CTR discount will also provide an overview of the impact this change may have.

### **3) Monitoring Debt Levels:**

In 2013/14 customers with 'small debts' (those under £82.40) were not subject to any further recovery action. However, there was an accumulative effect from arrears in 2014/15, which sees these debts becoming subject to a liability order. These debts will be ring-fenced and processed separately to ensure we provide additional support prior to issuing a summons.

### **4) Feedback from other partners:**

Liaison with our financial inclusion, housing and customer service teams will provide evidence on specific issues encountered by those impacted by any change to CTR. Further liaison will allow take place with Community Law Service and the Citizens Advice Bureau.



## Step 8 –Action Plan

Actions	Target date	Responsible post holder	Monitoring post holder
Publish EIA	December 2014	Robin Bates	Kirsty Tomlinson
Liaison with Northampton Borough Council's financial inclusion service to establish what scope they have to support affected customers who require advice and budgeting support.	December 2014	Robin Bates	Kirsty Tomlinson
Consider communication to working age CTR recipients prior to annual billing to promote Northampton Borough Council's financial inclusion service.	December 2014	Robin Bates	Kirsty Tomlinson
External review - Consider the creation of a cross department register, where staff can log issues raised by the public which have stemmed from any change to CTR.	January 2014	Robin Bates	Kirsty Tomlinson
Review the Council Tax recovery process for those receiving CTR	January 2014	Robin Bates	Kirsty Tomlinson
Offer training and/or support to other services (both internal/external) so they are aware of changes to CTR and the impact on their clients.	February 2014	Robin Bates	Kirsty Tomlinson
Full training to be provided to all Revenues & Benefits staff so they are aware of the changes and can ensure customers can be sign-posted to Northampton Borough Council's financial inclusion service.	February 2014	Robin Bates	Kirsty Tomlinson
Internal Review by reporting and analysing the public response to annual billing.	March 2014	Robin Bates	Kirsty Tomlinson
Review of CTR Year 2 project as a 'lessons-learned' exercise to identify other potential avenues to increase response to any future CTR consultations – particularly areas that focus on groups with protected characteristics.	April 2014	Robin Bates	Kirsty Tomlinson
Review the impact of summons action on accumulated date from 2013/14	July 2014	Robin Bates	Kirsty Tomlinson

**For the record**

**The equality impact assessment should be signed off at Head of Service level before publication. Signing off means that the Head of Service will need to satisfy themselves that:**

- **You have consulted and involved stakeholders from each group**
- **You have gathered all relevant evidence**
- **You have an action plan**

**Date of sign off by Head of Service:**

**Name of Head of Service signing off this EIA:**

## **Equality Duties to be taken into account include:**

### **Prohibited Conduct under the Equality Act 2010 including:**

Direct discrimination (including by association and perception e.g. carers); Indirect discrimination; Pregnancy and maternity discrimination; Harassment; discrimination arising from disability.

### **Public Sector Duties (Section 149) of the Equality Act 2010 for NBC and services provided on its behalf:**

NBC and services providing public functions must in providing services have due regard to the need to: **eliminate unlawful discrimination, harassment and victimisation; advance equality of opportunity and foster good relations between different groups.** 'Positive action' permits proportionate action to overcome disadvantage, meet needs and tackle under-representation.

### **Rights apply to people in terms of their "Protected Characteristics":**

Age; Gender; Gender Assignment; Sexual Orientation; Disability; Race; Religion and Belief; Pregnancy; Maternity. But Marriage and Civil Partnership do not apply to the public sector duties.

### **Duty to "advance equality of opportunity":**

The need, when reviewing, planning or providing services/policies/practices to assess the impacts of services on people in relation to their 'protected characteristics', take steps to remove/minimise any negative impacts identified and help everyone to participate in our services and public life. **Equality Impact Assessments** remain best practice to be used. Sometimes **people have particular needs** e.g. due to gender, race, faith or disability that need to be addressed, not ignored. NBC must have due regard to the **duty to make reasonable adjustments** for people with disabilities. NBC must **encourage people who share a protected characteristic to participate in public life** or any other activity in which their participation is too low.

### **Duty to 'foster good relations between people'**

This means having due regard to the need to **tackle prejudice** (e.g. where people are picked on or stereotyped by customers or colleagues because of their ethnicity, disability, sexual orientation, etc.) and **promote understanding**.

**Lawful Exceptions to general rules:** can happen where action is proportionate to achieve a legitimate aim and not otherwise prohibited by anything under the Equality Act 2010. There are some special situations (see Ch 12 and 13 of the Equality Act 2010 Statutory Code of Practice – Services, Public Functions and Associations).

**National Adult Autism Strategy** (Autism Act 2009; statutory guidelines)

**Human Rights** – under the Human Rights Act 1998 which gives effect to the European convention: right not to be subjected to degrading treatment; right to a fair trial (**civil and criminal issues**); right to privacy (**subject to certain**

**exceptions e.g. national security/public safety, or certain other specific situations); freedom of conscience (including religion and belief and rights to manifest these limited only by law and as necessary for public safety, public order, protection of rights of others and other specified situations); freedom of expression; freedom of peaceful assembly and to join trade unions; right not to be subject to unlawful discrimination; right to peaceful enjoyment of own possessions (subject to certain exceptions e.g. to secure payment of taxes or other contributions or penalties); right to an education; right to hold free elections by secret ballot. The European Convention is given effect in UK law by the Human Rights Act 1998.**